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HEARING BEFORE THE COMMITTEE ON AGRICULTURE HOUSE OF REPRESENTATIVES

EIGHTY-NINTH CONGRESS

FIRST SESSION

ON

H.R. 5508

MARCH 10, 1965

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TO FACILITATE THE WORK OF THE U.S. DEPARTMENT OF AGRICULTURE

WEDNESDAY, MARCH 10, 1965

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The committee met, pursuant to notice, at 10:15 a.m., in room 1310, Longworth House Office Building, Washington, D.C., Hon. Harold D. Cooley (chairman) presiding.

Present: Representatives Cooley (presiding), Poage, Gathings, Jones of Missouri, Stubblefield, Purcell, Olson, Matsunaga, O'Neal, Foley, Stalbaum, De la Garza, Vigorito, Redlin, Bandstra, Greigg, Callan, Dague, Teague of California, Latta, Harvey of Indiana, Findley, Burton of Utah, Walker, and Resident Commissioner Polanco-Abreu.

Also present: Christine S. Gallagher, clerk; Hyde H. Murray, assistant clerk; John J. Heinburger, general counsel; Robert Bruce, assistant counsel; and Francis LeMay, consultant.

The CHAIRMAN. The committee will please be in order.

We are delighted to have you gentlemen here, especially Mr. Minor, whom we have not seen in a long time. Who is going to speak for the Department?

Mr. GRANT. I will. I am Charles Grant, Director of Finance of the Department of Agriculture. I will lead off and explain briefly the purpose of the bill, and then I will call on my colleagues here to discuss and explain specific sections.

The CHAIRMAN. Very well. You may proceed.

(H.R. 5508, introduced by Mr. Cooley, follows:)

[H.R. 5508, 89th Cong., 1st sess.]

A BILL To facilitate the work of the Department of Agriculture, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of existing law, except the Commodity Credit Corporation Charter Act and without regard to section 355, Revised Statutes, as amended (40 U.S.C. 255), but within the limitations of cost otherwise applicable, appropriations of the Department of Agriculture may be expended for the erection of buildings and other structures on land owned by States, counties, municipalities, or other political subdivisions, corporations, or individuals: Provided, That prior to such erection there is obtained the right to use the land for the estimated life of or need for the structure, including the right to remove any such structure within a reasonable time after the termination of the right to use the land: Provided further, That appropriations and funds available to the Department of Agriculture shall be available for expenses in connection with acquiring the right to use land for such purposes under long-term lease or other agreement.

SEC. 2. The Secretary of Agriculture is authorized to make grants, for periods not to exceed five years' duration, to State agricultural experiment stations, colleges, universities, and other research institutions and organizations and to Federal and private organizations and individuals for research to further the programs of the Department of Agriculture. Each recipient of assistance under this section shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grants, the total cost of the project or undertaking in connection with which such funds are given or used, and the amount of that portion of the costs of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit. The Secretary of Agriculture and the Comptroller General of the United States or any of their duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this section.

SEC. 3. The Secretary of Agriculture is authorized to obtain insurance to cover the liability of any employee of the Department of Agriculture for damage to or loss of property or personal injury or death caused by the act or omission of any such employee while acting within the scope of his office or employment and while operating a motor vehicle belonging to the United States in a foreign country.

SEC. 4. Section 602 of the Agricultural Act of 1954 (68 Stat. 908) is amended by adding at the end thereof the following:

"(e) Any officer or employee appointed and assigned to a post abroad pursuant to this title may, in the discretion of the Secretary of Agriculture, be assigned for duty in the continental United States, without regard to the civil service laws (and without reduction in grade if an appropriate position at the employee's grade is not available in any agency of the Department of Agriculture), for a period of not more than three years: *Provided*, That the total number of such employees assigned for duty in the continental United States under this provision shall not exceed fifteen at any one time: *Provided further*, That this Act shall not increase the number of persons employed at grade GS-16, GS-17, or GS-18."

SEC. 5. Section 104(a) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), is further amended by inserting, after the word "*Provided*," the following: "That the Secretary of Agriculture may release such amounts of the foreign currencies so set aside as he determines not to be needed, within a reasonable period of time, for such purpose: *Provided further*,"

SEC. 6. Section 4 of the Act of August 2, 1956 (ch. 878, 70 Stat. 934; 7 U.S.C. 1884), is hereby amended—

(1) by striking the word "insurance" and substituting the word "benefits";

(2) by inserting after "Federal Employee's Group Life Insurance Act of 1954" the words "and the Federal Employees Health Benefits Act of 1959," and

(3) by inserting after "employees' life insurance fund" the words "or the employees' health benefits fund, as the case may be,"

SEC. 7. Section 1 of the Act of July 12, 1943 (5 U.S.C. 542-1), is hereby amended by striking out the word "reimbursed" and inserting in lieu thereof the words "credited with advances or reimbursements" and inserting after the word "*Provided*", the following: "That such advances shall not be available for any period beyond that provided by the Act appropriating the funds: *Provided further*,"

SEC. 8. Subject to limitations applicable with respect to each appropriation concerned, each appropriation available to the Department of Agriculture may be charged, at any time during a fiscal year, for the benefit of any other appropriation available to the Department, for the purpose of financing the procurement of materials and services, or financing activities or other costs, for which funds are available both in the financing appropriation so charged and in the appropriation so benefited; except that such expenses so financed shall be charged on a final basis, as of a date not later than the close of such fiscal year, to the appropriations so benefited, with appropriate credit to the financing appropriation.

SEC. 9. Section 8f of the Agricultural Adjustment Act of 1933, as amended (7 U.S.C. 608f), is hereby repealed.

STATEMENT OF CHARLES L. GRANT, DIRECTOR OF FINANCE; ACCOMPANIED BY F. H. SPENCER, DEPUTY ADMINISTRATOR, MANAGEMENT, AGRICULTURAL RESEARCH SERVICE; DR. F. R. SENTI, DEPUTY ADMINISTRATOR, NUTRITION, CONSUMER AND INDUSTRIAL USE RESEARCH, AGRICULTURAL RESEARCH SERVICE; W. A. MINOR, ASSISTANT ADMINISTRATOR FOR MANAGEMENT, FOREIGN AGRICULTURAL SERVICE; ROBERT L. HILL, ASSISTANT TO THE DIRECTOR, OFFICE OF PERSONNEL; AND CARL J. MILLER, CHIEF, U.S. WAREHOUSE ACT BRANCH, CONSUMER AND MARKETING SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. GRANT. Mr. Chairman and members of the committee, we appreciate this opportunity to appear before you in support of H.R. 5508, to facilitate the work of the Department of Agriculture.

This bill consists of nine relatively minor but important provisions which have been brought together to facilitate consideration by the Congress. These items are proposed in order to improve and make more effective the administrative operations of the Department.

This bill is identical to H.R. 7155 as reported by this committee in the last session of the Congress, but on which no action was taken by the Senate.

The CHAIRMAN. That bill was passed by the House?

Mr. GRANT. Yes, it was passed by the House. No action was taken by the Senate. I said that it was identical. It is identical except for three provisions. The bill that was passed in the last session by the House included a provision giving authority to the Secretary to designate agricultural attachés in certain specific circumstances as agricultural counselors. That provision is not included in this bill.

Mr. POAGE. Why was that left out?

Mr. GRANT. I beg your pardon?

Mr. POAGE. Why was that left out?

Mr. GRANT. It was left out because we have been advised by the Budget Bureau that they want to consider this provision further and it has not been approved for inclusion in this bill.

Mr. POAGE. If they want to consider it further they had better be considering it now. I think that it is quite clear that we are not going to sit here all session and wait until the Budget Bureau makes up its mind whether they want these things passed or not. They cannot make up their mind with the farm bill; they cannot make up their mind about these things. I know that that is not your fault.

Mr. GRANT. No. The bill which the House passed during the last session included a provision relating to the Department's working capital fund authorizing us to transfer to the fund equipment and to capitalize it in the fund. Because of certain questions that have been raised, primarily by the General Accounting Office, we have decided to omit that provision this year and limit the proposal to authority to make advances to the fund.

The General Accounting Office felt that the Congress might be losing some control over expenditures if this provision were included. We have decided under the circumstances, that this provision is not of major importance to us and, in order to facilitate getting the bill through, we would delete that provision.

The third difference in the bill as it passed the House during the last session and the present bill is another provision that has been added this year to the working capital fund proposal. Language has been added to section 7 to make it clear that our proposal to make advances to the fund will not extend the availability of funds beyond the time that the Congress specifies in the appropriation act.

Again there was a feeling, I believe, on the part of some, that the provision as it passed in the last session would have permitted the Department to change the availability of appropriations, so we have written this so as to make it more restrictive and to make it clear that that is not the intent.

The first three provisions in this bill relate to the activities of the Agricultural Research Service, and with the committee's permission I would like to have Mr. Frank Spencer, Deputy Administrator of the Agricultural Research Service, briefly describe those sections.

The CHAIRMAN. Very well. We will be glad to hear from you.

Mr. SPENCER. The first section authorizes the Department to erect facilities on land which is owned by States or other political subdivisions or by corporations or individuals, but which is secured for the estimated life or the need for the building to be constructed. It will be used mostly for the construction of research facilities. As you know, much of our research is cooperative and the buildings are very frequently located on the campuses of State agricultural experiment stations. These institutions are almost invariably willing to make land available for the erection of our buildings, but in many instances they lack the authority to sell or donate the land without specific action by the State legislatures. This means that in these cases we are limited to the construction of a temporary type of building. These can be the Butler-type or the quonset-type building, but are not masonry construction. This results in a rather inferior type of building and usually it does not fit in at all appropriately with the other buildings on the campus.

This authority, if granted, would permit the Department to construct a more suitable type of building on land which is owned by these cooperative institutions. In every case the interest of the Government would be protected through leases or other instruments which would insure tenure for the estimated life or need of the structure.

The CHAIRMAN. Suppose that some States would offer land on which these were to be built? Who would have the title?

Mr. SPENCER. If the State offers the land and has the authority to donate the land, we take title to it and build the building.

The CHAIRMAN. The reason I was asking the question is that we have a place in North Carolina called the research triangle. It is supported by the University of North Carolina, Duke University, and North Carolina State College. I am certain that land could be made available there for such institutions. If it was decided to put one in that area, would you have authority officially to accept the site?

Mr. GRANT. We have authority in the organic act of 1944 to accept the donation of land by transfer, or when provided in appropriation acts to purchase land needed for the administrative operations of the Department.

The CHAIRMAN. What size building did you have in mind?

Mr. SPENCER. The laboratories that we would plan to erect, in buildings of this type, would not be big jobs like the National Animal

Disease Laboratory, that type of thing. They would range in general probably from a limit of \$20,000, above which we cannot build without specific authority up to, perhaps, \$200,000 or \$300,000 in maximum. We would not plan to put a major type of building on land under lease.

The CHAIRMAN. Do you mean up to 200,000 square feet?

Mr. SPENCER. In dollars. I mean dollars. We cannot erect any permanent-type structure without specific legislative authority in the appropriation.

Mr. TEAGUE of California. The first part of the bill particularly deals with funding appropriations. I understand that we passed approximately the same bill last year. I take it that Mr. Whitten and his committee have no objection to this being reported here? Do you recall?

The CHAIRMAN. Did you have any objections from them?

Mr. GRANT. No, sir. The House Appropriations Subcommittee has not raised any questions at all on the bill as it was passed by the last session.

The CHAIRMAN. This a substitute?

Mr. GRANT. Yes, sir.

Mr. TEAGUE of California. I have confidence in Mr. Whitten. If he had any objections I would assume that we would know about them. I am glad to know that he has no objections.

The CHAIRMAN. Are there any further questions of this witness? If not, we will proceed to the next.

Mr. SPENCER. Section 2 would authorize the Department to make grants for a period not to exceed 5 years to the State agricultural experiment stations, colleges and universities, and other research institutions, for research on parts of the program on behalf of the Department of Agriculture. This does not refer to the grant authority of the Department under the Hatch, Adams, and similar acts which are grants on a formula basis. This refers, rather, to grants for specific pieces of research which are needed to accomplish the Department's purposes.

At the present time our grant authority in this area is limited to grants for basic research to nonprofit institutions and we find that there are institutions that are not nonprofit institutions which do highly satisfactory research work and, also, that very often after making a grant for a piece of basic research we find that as it develops that there is a need for applied research which requires us either to contract for the work to do so or to make some other arrangement through cooperative agreements for the institutions performing the research to go ahead with that phase of the work. The feeling of the Department is that much more effective work could be done if this authority were extended to apply to types of research other than basic and also to make other than nonprofit institutions eligible to receive grants.

Mr. LATTA. I have a question on that section. You have in that section a reference to making grants to Federal organizations—what do you have reference to there?

Mr. SPENCER. The National Academy of Sciences. Frequently there are available to institutions like that means of doing research that we need, but under the present grant arrangement we are not able fully to avail ourselves of their services.

Mr. LATTA. Thank you.

The CHAIRMAN. Proceed.

Mr. MATSUNAGA. The same question could arise under the bill that we just passed out of the House. Supposing that a grant was given to a private organization and it comes up with some process that is unique, who would own the title to that?

The CHAIRMAN. That is not involved in this bill, is it? That was involved in the bill that we had on the floor last week.

Mr. MATSUNAGA. That is what I am referring to. Is not the same problem here involved?

Mr. SPENCER. In general, our policy on the results of research are that such discoveries must either be patented to the Government or made available under a license which has to be approved by the Department.

Mr. MATSUNAGA. Do you have a contractual agreement?

Mr. SPENCER. With the grantee.

Mr. MATSUNAGA. So that the title would belong to the Government?

Mr. SPENCER. Yes, sir.

The CHAIRMAN. All right. You may proceed.

Mr. SPENCER. Section 3 authorizes the Department to provide liability insurance coverage on the operation of its motor vehicles in foreign countries. This is a problem which has plagued us for a number of years. It is not large, so far as its proportions are concerned. The total amount of expense involved would be only a few thousand dollars, but as it is now our employees operating motor vehicles in foreign countries, if they are protected by insurance, have to pay their own premiums, which seems very unfair and which has been quite a burden on them in some instances.

The CHAIRMAN. That is liability insurance?

Mr. SPENCER. Yes, sir.

Mr. GRANT. Mr. Minor will discuss the proposal with respect to agricultural attachés.

Mr. MINOR. Mr. Chairman, the Department is requesting authorization for the Secretary to permit an agricultural attaché or other employee of the Foreign Agricultural Service assigned to duties overseas to be brought back to the United States for a period of reorientation with domestic agriculture without having to take a reduction in grade in the event that there is no position available at his particular grade. Generally there will be positions that fit the man's qualifications at his grade, but if we brought back a grade 15 who is an expert in marketing and there happened not to be an opening at that time in that grade, he could be assigned as a marketing specialist and go ahead and do his work here and become reoriented and prepare himself to go back out again.

Such assignments would be limited to 3 years. And at the end of 3 years we would have to make other arrangements if there was not a job available at that time or he was not ready to go back to the field.

The CHAIRMAN. He has to come back here for 3 years to be re-oriented?

Mr. MINOR. Yes. They would actually carry on assigned work here. We rotate our people between Washington and the field.

The CHAIRMAN. I know that. I believe in rotation. I believe in bringing them back here. If a man has been away from home for

10 years I believe that he should be brought back to this country, but I do not see why, if he comes back, he has to hang around Washington for 3 years, even though he is working.

Mr. MINOR. You do not learn U.S. agriculture over again quickly. For most attachés the period of orientation is 1 or 2 years.

The CHAIRMAN. I think there should be some limit on it. I do not know of any agricultural attaché who needs 3 years to become familiar again with American agriculture.

Mr. MINOR. I do not, either, think that he usually needs that long a period.

The CHAIRMAN. I do not see why you set it at 3 years.

Mr. MINOR. We would seldom use the 3-year period.

A similar authorization in the State Department, I believe, is 4 years but we have held to 3 years. And we do not expect that we would be using that generally.

It is possible that the particular post that we would want to send a man to might not be open exactly at the time that he would be ready to go out again. This timing is a part of the picture in fitting assignments all over the world. We anticipate that the authorization will be used for a very few people. The legislation limits its use to not more than 15 at any one time and we anticipate that we generally will not use nearly that many. It will facilitate our rotation of personnel and make our work here and in the field more effective.

The CHAIRMAN. For how many years do our attachés stay abroad?

Mr. MINOR. They go for 2-year tours after which they are usually back for a short period of home leave and go out for another tour. Most of them serve from 4 to 6 years before they are assigned back here.

Mr. OLSON. Mr. Chairman, I would like to suggest that they spend some time in the farm communities when they come back to the United States to reorient themselves to American agriculture. And I feel that it might also be of benefit for some who have never seen a family farm and who have been working in the Department downtown for a long time.

The CHAIRMAN. Amen.

Proceed with your statement.

Mr. MINOR. They do spend some time out in the field. They spend their home leave out there, usually.

I believe, unless there are some questions, that covers it.

The CHAIRMAN. Are there any further questions?

Mr. FINDLEY. The purpose of this section is to bring them back for a maximum of 3 years, when they come back?

Mr. MINOR. That is correct.

Mr. FINDLEY. Is that assignment voluntary on their part or is it generally required?

Mr. MINOR. Usually we work together on it, but we do order them back. In other words, we bring them back even though they might like to stay out without coming back.

Mr. FINDLEY. This pay protection would not be for special extra pay because of oversea duty?

Mr. MINOR. Oh, no, it is at the regular grade and pay. Their salaries are in line with the stateside people. This amendment would not mean any additional pay for anybody but would avoid the necessity of reducing them in case there is not a place available in the

Department which fits their qualifications and which would give them the kind of experience that they need to go back out again.

Mr. GATHINGS. This follows what Mr. Findley asked about. Do they get additional emoluments over and above their grade 15 pay, for example, when they are abroad, and if so, when they come back to this country they would lose that additional percentage, would they not?

Mr. MINOR. They get a quarters allowance or quarters are furnished overseas. This is standard for people who are stationed in foreign countries. In a few posts, where the costs are especially high, they get a cost-of-living adjustment. At some of the posts where living conditions are extremely difficult they get what is known as a hardship allowance.

Mr. GATHINGS. What percentage would that hardship allowance be?

Mr. MINOR. That can go as high as 25 percent. There are very few posts that have the hardship allowance, and still fewer that have the 25 percent. When they come back to the States they get nothing except their salary.

Mr. GATHINGS. Thank you.

Mr. MINOR. As a matter of fact, sometimes they look on the service here as a letdown since they have to provide their own housing and they get none of these other allowances. It makes quite an adjustment necessary.

The CHAIRMAN. You may proceed.

Mr. MINOR. Section 5, Mr. Chairman, authorizes the Secretary of Agriculture to release currencies set aside under section 104-A, Public Law 480, when he determines that the currency set aside in the particular country is in excess of the needs within a reasonable period of time for the market development program. When, for example, a billion dollars' worth of foreign currency is received for commodities under title I, at least 5 percent of that total, not country by country, but of the total, is required to be set aside for market development. This means \$50 million for each \$1 billion of sales proceeds.

Our market development program is running at a level of obligation of some \$16 to \$17 million per year at the present time. The currencies that are set aside are building up faster than the rate of obligation. Most of the currencies that are accrued under title I are in the excess currency countries or in countries where market development opportunities are limited. The set-aside is requested of amounts available for U.S. use, in currencies which are needed for market development. We also make full use of the provision, which the committee provided, for conversion from one country to another to permit us to do work in potential dollar market areas. However, there is a buildup in certain countries of currencies which cannot be converted and which we do not need in the countries where they accrue. This is particularly true in the excess currency countries and in countries like Korea and Iceland, where market development opportunities are quite limited.

The proposed amendment would permit the Secretary, on a selective basis, to release currencies which he determines are not needed. We would strongly urge the adoption of the amendment.

The CHAIRMAN. When you say "release," you mean just to give it back to the treasury?

Mr. MINOR. No, give it back to the Treasury of the United States—release it from the set-aside for market development. It would still belong to the United States. It would not change that at all. It would simply release it from being set-aside for market development.

The CHAIRMAN. I see.

Mr. FINDLEY. Would these currencies then be available for any other specified and authorized U.S. uses?

Mr. MINOR. That is right.

Mr. FINDLEY. Would this provision be retroactive so that any funds for market development unused in previous years in these recipient countries would then automatically be released for U.S. uses in those countries?

Mr. MINOR. Any that is set aside for U.S. use, regardless of when it was set aside, could be released.

Mr. FINDLEY. And the effect of this amendment would be to release any funds accumulated in the past?

Mr. MINOR. It would permit their release. There is another provision of law which has permitted the Treasury to go ahead and actually use the currency where it was needed, but they were still obligated to provide the funds for market development when they were called for. It would in that case release the obligation to replace the currencies. To the extent that it will not be needed in a reasonable time, we believe that it should be released to the Treasury.

Mr. TEAGUE of California. I have considered this market development part very important and worthwhile as a project, and I would like to say for the record and to express the hope that the Department will certainly not cut down on its efforts to develop foreign markets. As I understand the situation there are few ways that the foreign country can be used properly. And this seems to me one of the best ways. I hope that there will be not too much of a cut or to be used for some other purpose.

The CHAIRMAN. I quite agree with you, Mr. Teague. I am just wondering why you have not used all of this money for market development. We sit around here with \$8 billion or \$9 billion invested in agricultural commodities stored in warehouses which are packed and jammed. You cannot tell me that you could not use more of this money than you are using for greater market development. I know that in some places where we have used this money we have gotten benefits, but what bothers me all of the time is that the Department is not trying to do as much as they could and should do with these funds.

Could you tell us how much you have in Pakistan and in India?

Mr. MINOR. On the basis of estimates of sales through June 30, 1965, we will have a total set-aside of approximately \$260 million of which about 13 percent is in India.

In other words, there is about \$33 million in India. The amount in Pakistan is about \$25 million. The opportunity to expand markets in India and Pakistan is limited. We are using Indian and Pakistani currencies to the extent that we can make them effective.

The CHAIRMAN. Could you not use that money in some other country?

Mr. MINOR. Only the part that is subject to conversion under the agreements, I will make two points. We have no intention of releasing any currency that we believe can be used for market development in the country where it is located. We have no intention of releasing any currency which can be converted into currencies to be used in other places. In other words, all of the currencies which can be converted will be held as will currencies which can be used in India. When we could ever use \$35 million in India I do not know, and we are converting all that we can convert from there.

The CHAIRMAN. We have one loan to India of \$2,200 million which took up almost all of the moneys that we authorized for the whole wide world. We gave them 45 percent of the money; we loaned the other 45 percent, and the remainder was left for U.S. uses.

Do we now propose to give them back that amount?

Mr. MINOR. We do not propose to give any of it back to India.

The CHAIRMAN. And we do not propose to give it to anybody else?

Mr. MINOR. It would still be available for other U.S. uses.

The CHAIRMAN. We could use some of those funds in some other country, couldn't we? Can you use it in Italy, for example?

Mr. MINOR. In Italy?

The CHAIRMAN. In Italy, yes.

Mr. MINOR. We have been converting money into Italy. We converted some \$1 million into Italy last year for use in market development. I do not know whether it was from India or Poland or where. We are converting money into Italy.

The CHAIRMAN. What is wrong with that? Seventy-five percent of all of the funds are in those three countries, India, Pakistan, and Poland, are they not?

Mr. MINOR. About 38 percent of the funds are in the seven excess countries which includes both the ones you have mentioned.

The CHAIRMAN. What you are doing is releasing it from market promotion and using it for something else; is that right?

Mr. MINOR. Yes, but we would not release any that can be used effectively for market development. Also the Secretary, under the set-aside provision, can request the set-aside of currencies received in repayments of loans and interest. There are large sums in many of these countries that have been loaned to the country, and as those are repaid the Secretary can place those currencies in the set-aside if the needs should arise.

The CHAIRMAN. Do you not agree that there are many places in the world that we could use all of this money for promotional purposes when we are sitting here in this country with billions of dollars of commodities that we cannot give away.

Mr. MINOR. No, sir; it is not practical to use it in some places and it is not possible to move much of it into the places where it could be used effectively.

The CHAIRMAN. Did you say that you could not take the money from India, for example, and convert the rupees and use them somewhere else?

Mr. MINOR. We can within the limits that are prescribed in the agreements and none of that will be released. No money that can be converted from Indian rupees to any other country's currency will be released at any time.

The CHAIRMAN. All right. Thank you.

Mr. FINDLEY. In future agreements under title I will you still provide 5 percent which is earmarked for market development in each of these agreements?

Mr. MINOR. The law requires that it be done, yes.

Mr. FINDLEY. So that this authority would not be used to reduce it to, say, 3 percent based on the actual usage of the currencies in the past?

Mr. MINOR. No, the set-aside is required to be 5 percent of the total proceeds from the agreements, which are signed. The amendment does not change the 5-percent requirement nor does it change the requirement that 2 percent of the 5 percent be available for conversion to other countries where it is needed more.

Mr. TEAGUE of California. I would appreciate having two or three examples of how you are going to use the money or how the money will be used which is released.

Mr. MINOR. Which is released?

Mr. TEAGUE of California. Yes.

Mr. MINOR. Let us take Korea, for example: I do not have exactly the amount that is there, but we have set aside substantially more than practical judgment would indicate to us can be used for market promotion in Korea because of the limited power to buy. When this is released the Secretary would simply write to the Secretary of the Treasury and say, "I release so much of the currency which was set aside for market development in Korea." It would then be available in the Treasury to be used for any of the purposes specified in section 104 of Public Law 480. The amount available in each of the various U.S. use items of section 104 is spelled out in the appropriation acts of the Congress. So it would actually be the Congress that would be determining which sections would be authorized to use them.

Mr. TEAGUE of California. Could they be used as a part of our overall foreign aid program, military assistance, or economic aid to foreign countries?

Mr. MINOR. There are provisions in the act for some acquisitions of materials and things like that, for the programs; yes, sir.

Mr. TEAGUE of California. Thank you.

The CHAIRMAN. What are some of the purposes for which they might be used and in what countries would there be these releases?

Mr. MINOR. Most of the release, for instance, would be in countries like Poland, India, Pakistan, and Egypt. Those are the principal excess currency countries. And Israel, too. There would also be the countries like Iceland and Korea. And I would have said earlier Taiwan, but now I am not sure about it. These are the type of countries where the release would take place. It would not be released where it can be used for market development.

Mr. POAGE. How about Brazil—are you using it there at all?

Mr. MINOR. There is a fairly substantial amount in Brazil but I would not want to commit myself on Brazil without a further look at the figures. Brazil possibly would be a place where some could be released.

Mr. POAGE. You have vast amounts there now.

Mr. MINOR. Yes, it is accumulating there.

Mr. POAGE. You are using a substantial amount of the money?

Mr. MINOR. That is right. It takes rather large amounts to accomplish very much in Brazil, with the exchange rates and price level as they are.

Mr. POLANCO. Can those funds be used in Latin America?

Mr. MINOR. Yes. We can convert the currencies that can be converted to any country where we want to use them. I do not believe that there is any country in Latin America where there would likely be any large excess except, possibly, in Brazil.

Mr. POLANCO. In Brazil?

Mr. MINOR. Yes. And in the others I think that we would need the currency being generated.

The CHAIRMAN. How does it happen that in Poland you should have such enormous amounts of currencies?

Mr. MINOR. Through title I sales in previous years. As you know, these currencies have not been loaned to Poland and if they are not used for U.S. uses, the Polish Government is obligated to repay them in dollars as they become due.

The CHAIRMAN. When will they start paying?

Mr. MINOR. I believe that the first payments are due in 1967—that is my recollection.

The CHAIRMAN. When they start paying us back in dollars, they will not be able to trade with us, will they?

Mr. MINOR. The Department would reduce the dollars otherwise available for purchases but their economic development and increased trade should enable them to acquire foreign exchange that could be converted into dollars to maintain substantial purchases from the United States.

The CHAIRMAN. We have enormous amounts piled up in that country that we have no use for.

Mr. MINOR. Yes—all of the Polish sales proceeds are for U.S. uses only. Under the new authorizations for Public Law 480 there will be no title I sales to Poland, so anything that we use from here on will be reducing the total.

Under the provisions of the recent Public Law 480 extension, title I is not now available to Poland.

The CHAIRMAN. Can you sell to them or give it to them?

Mr. MINOR. We can sell to them under other provisions for dollar credit, but not under title I.

Mr. POAGE. You can make them under title IV.

Mr. MINOR. You can make title IV sales, yes.

The CHAIRMAN. How about that?

Mr. MINOR. I am not in a position to tell you the exact situation at the present time.

The CHAIRMAN. Are we making any?

Mr. MINOR. I am sure that we are ready to do so.

The CHAIRMAN. People from the Polish Embassy have come to see me, and they all want to talk about tobacco and other commodities which they cannot buy. Why can't they buy these commodities, especially ones we have in surplus?

Mr. MINOR. No, I am not aware of that. We have been selling to them. That does not happen to be my particular field, so that I am not able to give you complete information on it at the moment, but title IV sales can be made for credit and I am sure will be considered.

Mr. FINDLEY. The excess currency in Poland is somewhere around \$500 million, I believe.

The CHAIRMAN. How much?

Mr. FINDLEY. \$500 million, is it not?

The CHAIRMAN. That is what I thought.

Mr. FINDLEY. You say that this will be repaid in dollars. What percentage of that would be repaid, over what period of years?

Mr. MINOR. All of it except that which is expended for U.S. uses in Poland or converted to other countries.

Mr. FINDLEY. All of it. So that we can expect eventually to recover all of this money in hard currency; is that correct?

Mr. MINOR. That is the term of the sales.

Mr. FINDLEY. I understand that Egypt and Israel are the only two countries now utilizing the tourist dollar exchange program. I understand that India may start it a little later this year. Can you tell us why it is that this provision which would help our balance-of-payments problem substantially has not been implemented? There are 30 countries which have accepted this as an approved use of currencies under title I sales, but in only two is it actually being carried out, although the authority is on the books for the others.

Mr. MINOR. That is not a responsibility of the Department of Agriculture and I am not prepared to state the facts on it. It is the Treasury Department that makes those sales through U.S. Embassies.

Mr. FINDLEY. So far as you are aware, you cannot implement this tourist dollar exchange program, can you?

Mr. MINOR. That section is not assigned to the Department of Agriculture. We have no responsibility for it.

Mr. FINDLEY. Thank you.

Mr. POAGE. May I ask in that connection how anyone could reasonably expect tourists to buy these counterpart funds at the present time when there is no inducement to the tourist to buy them, is there?

Mr. MINOR. I am not the expert on that, Mr. Poage, but as far as I know they do not get more at the embassy for them than they would be able to get otherwise.

Mr. POAGE. They are liable to get less in some cases.

The CHAIRMAN. A man was here yesterday who was going on a trip and he had to buy them at the Treasury. You say that he can get them at the embassies?

Mr. MINOR. In certain countries they are available. I am not prepared to say which countries.

Mr. FINDLEY. In Israel and Egypt right now.

The CHAIRMAN. He could not walk into the Embassy in London or Rome or any other place and buy them?

Mr. POAGE. He should be able to buy them anywhere where there are excess currencies on hand.

The CHAIRMAN. I know of two countries where they can. You say there are only two countries in the world where they can do that?

Mr. FINDLEY. Yes. I might say that I offered an amendment to Public Law 480 which became the authority for this program. I have encouraged the Treasury ever since to promote it. It has been promoted on a very meager basis by the Treasury and the State Department. Knowledge of this exchange opportunity is very limited. There has been some sale of these currencies, Mr. Poage, in Egypt and Israel I believe.

It is extremely limited considering the fact that most people going to Egypt and Israel do not even know that it exists. With good promotion by the Treasury and the State Department I think that it could be of tremendous assistance to our balance-of-payment problems.

Mr. POAGE. Under the law of the United States, not Egypt, not Israel, but of the United States our Government sells these currencies to any tourist that wants them, as I understand it. The United States must sell them to these tourists; is that not right?

Mr. MINOR. The authorization is for the United States to sell them, yes.

Mr. POAGE. In Egypt and Israel, as I understand it, you take these funds that are not allocated to American uses and you use them for sales to tourists; is that correct?

Mr. FINDLEY. They are funds which are necessarily allocated to U.S. uses.

Mr. POAGE. Is that anywhere in the world?

Mr. FINDLEY. But the tourist cannot buy currencies there.

Mr. POAGE. Can he buy if the United States wants to sell them to him?

Mr. FINDLEY. No, not according to my understanding.

Mr. MINOR. They are for the use of the U.S. Government for its purposes.

Mr. FINDLEY. For specific purposes.

The CHAIRMAN. You mentioned Egypt. If an American wants to go to Egypt, could he go right down here to the Treasury or State Department and buy some counterpart funds for use there?

Mr. FINDLEY. He could go to the Embassy in Egypt and buy them.

The CHAIRMAN. Can he buy them here?

Mr. MINOR. No, he cannot.

The CHAIRMAN. He cannot buy them here?

Mr. MINOR. For that private individual that is correct.

The CHAIRMAN. He can go to Cairo and buy the foreign currencies?

Mr. MINOR. Yes, sir. He could go to the Embassy and buy the currencies and expend them for whatever purpose that he wants to.

Mr. POAGE. But the important question is, what advantage is there to the individual? I know that it is an advantage to the Government. What advantage is there to the individual to do so?

Mr. MINOR. The advantage to the individual is that, so far as I know, as a citizen of the United States he is interested in the welfare of the United States and when he buys those currencies his dollars come directly back to the Commodity Credit Corporation instead of going into the treasury of the country where he is located or to a private firm there and becoming dollar exchange.

Mr. POAGE. Of course, you could say the same thing if I buy this water pitcher and it is made in the United States, that is an advantage to me. But, frankly, I do not know whether it is made in the United States or in Japan, this water pitcher. It is too filled with water for me to turn it over and see. That is an argument which would lead to the belief that everybody in the United States, if he refused to buy any foreign goods in the United States, to buy a water bottle like this, that is made in Japan, if it is, it has exactly the same effect upon our trade as when I go to a foreign country and spend my dollars to buy their local currency, does it not?

Mr. MINOR. Yes, I think that it does or will have the same effect on the balance of payments.

Mr. POAGE. Yes. There is enough business done in the United States with many of these things that are imported into the United States where the people buy them, and people who are going abroad are going to spend money when they are abroad. And if there was any advantage to the American citizen the Government would sell a lot of this currency, but if there is no advantage to the citizen he will not buy it.

On the contrary, he usually has to pay the highest rate of exchange anywhere at the Embassy. And if he has to pay that high rate he will not be very much interested in buying his currency there, will he?

Mr. MINOR. Since it is not our responsibility I would have hesitancy in quoting opinions on that.

Mr. POAGE. You just pointed out the responsibility of it is that it would help this Government, you said. And by the same token it is your responsibility. You are charged with the responsibility of helping the foreign aid program by this sale in foreign countries. And you do have a responsibility to know something about it and to have opinions on it and to express them anywhere where it might be helpful. I think that you do have a responsibility. And I think that you have a lot more responsibility than that American citizen over in Cairo, Egypt.

Mr. MINOR. It happens that the administration of that provision is assigned to another department of the Government and I cannot, nor can anyone in the Department of Agriculture, take action.

Mr. POAGE. You are talking to people who can take action.

Mr. MINOR. Yes.

Mr. POAGE. And I am saying that you have some kind or degree of responsibility to give some opinion if you have any as the result of your experience in handling these things.

Mr. MINOR. Wherever possible I think they should be available for purchase. There is no question about that. I think that we have stated that. That has been stated numerous times.

Mr. POAGE. What about the inducement to buy them?

Mr. MINOR. I do not know what would be required to give a better rate for those currencies.

Mr. POAGE. In your negotiations for new agreements, because after you have made the agreement you cannot get these people to make it any more favorable to the United States but you can oftentimes get it quite favorable to the United States while making the agreement. What about that?

Mr. BURTON of Utah. Maybe you can help me out. Did I understand correctly that we already have such agreements with 30 countries?

The CHAIRMAN. More than that.

Mr. POAGE. I think probably that many have agreed to it, yes.

Mr. BURTON of Utah. Am I also given to understand that in only two of these countries it is possible to make such arrangements?

Mr. POAGE. I understand that is probably true, from what has been said here.

Mr. FINDLEY. We set up the machinery to carry it out. I think it is unfortunate because of the dollar exchange problem. Your suggestion about an inducement to the citizen, obviously, would be helpful.

The CHAIRMAN. Would it be a gain?

Mr. MINOR. It is not 100-percent gain.

The CHAIRMAN. It would be a gain to the Treasury if we could do that.

Mr. MINOR. When a dollar is expended in a foreign country that dollar of exchange ceases to be a credit to the United States. If currencies are bought at the Embassy the whole dollar comes back, but the ability for the countries to buy U.S. commodities is decreased compared to the country purchases so that it is not a 100-percent gain.

The CHAIRMAN. Do we get a better rate at the Embassy in any country than we do on the open market?

Mr. MINOR. That varies by countries. In some countries the Embassy rate may be more favorable and in others it may be less favorable. There is usually a charge at the hotels and other banking institutions for converting the currency, which is not charged at the Embassy, so that most of the time in my experience I get just a little bit better rate at the Embassy than I would get at the hotels or the banks.

Mr. FINDLEY. Along that line, it has been suggested to permit the tourists to utilize this exchange authority to bring back duty free an additional amount of purchases from that country. This privilege would not hurt our balance-of-payments situation one bit and it would provide extra inducement for the tourist to go to the Embassy to make the exchange. Perhaps \$100 extra duty-free purchase might do the job, or even \$200 or more. The only loss that we would have would be the loss of the duty and that would be minor compared to the gain to our balance-of-payments problem.

The CHAIRMAN. That would have to go to the Ways and Means Committee.

Mr. FINDLEY. Yes, it would. And when they take up this proposal for a change to \$50 as the duty exemption for tourists they might consider that.

Mr. TEAGUE of California. I want Mr. Poage to know that on the Republican side of the table we have determined that these are made in Connecticut, good American water bottles. [Laughter.]

Mr. GRANT. There are three or four more sections that we should like to cover, if you desire.

There is section 6 of the bill which would permit the employees of the Department while detailed to States to retain their health insurance benefits in the same manner as for retirement and group life insurance. I think this is a relatively simple matter and if it is all right with the committee we will move on to section 7. If there are any questions we will be glad to answer them.

Section 7 would provide authority to make advances to the Department working capital fund. The statement which the Secretary attached to his letter to the committee I think explains rather fully the purposes of this advance or this authority. It would not extend the availability of the fund. It would not increase the cost. It would simply provide a more simple manner of carrying on the administrative operations under this working capital fund.

The CHAIRMAN. All right. Go to the next one.

Mr. TEAGUE. I have one question, if you please. What kind of transfer do you have in mind?

Mr. GRANT. This finances central mimeographing services, supply services, motion picture and arts and graphic activities of the Office of Information and also central payroll services. At the beginning of the year the working capital is depleted, so we would approve advances to the working capital fund based on firm orders from the agencies for work to be performed and then as the services are performed they would receive credit for it.

Mr. STALBAUM. This section would transfer within the agency?

Mr. GRANT. No. 8 has to do with enabling the Department to reimburse an appropriation within an agency for services performed for another appropriation. I will give an example in the Soil Conservation Service which has an appropriation for assistance to soil conservation districts, for flood prevention, and for watershed protection. They have a central Soil Mechanics Laboratory to serve all of these appropriations. A simple way to operate such a central service is to pay all of the expenses out of one of these appropriations and then get reimbursement from the others, so that you can have each appropriation carry its own share of the costs. The General Accounting Office in an opinion some years ago said in effect: "No, you have to distribute each expense to all of these funds." And this is an expensive operation. So this is proposed in order to permit us to keep the charges in one place and then distribute them at the end of the accounting period. The ultimate charge is the same to each appropriation. The General Accounting Office decision said, in effect, that this kind of legislation is the way to cure the problem. As a matter of fact, Congress has provided this kind of authority to certain other agencies where this situation exists, and the General Accounting Office has not raised any question about this particular proposal.

Mr. TEAGUE of California. Is this section identical with the section contained in the bill that the House passed last year?

Mr. GRANT. Yes, sir.

Mr. TEAGUE of California. And the Appropriations Subcommittee of the House had no objection?

Mr. GRANT. Not to my knowledge, sir. The last section, Mr. Chairman, has to do with a proposal to repeal a provision relating to shipments of grain from public warehouses to other warehouses without cancellation of warehouse receipts. This is a provision that has been in the law for many years. It has not been practical to carry it out. It is the same provision that we discussed with the committee last year and which was approved by the committee. Mr. Miller, of the Consumers and Marketing Service, will be glad to answer any questions that you may have on it.

The CHAIRMAN. Are there any questions?

Mr. POAGE. I would like to know what it does do when you say it repeals the law? The present law allows the movement of this grain from a public warehouse to a private warehouse without changing the receipts; is that right?

Mr. MILLER. The present law provides for the promulgation of regulations to cover this subject. However, in the 25 years since the law has been on the books, the Department, for one reason or another, has not promulgated those regulations. I believe the reason is that the Department feels that this industry is adequately regulated under both State and Federal laws and under other warehousing statutes,

and that it would be confusing from the standpoint of the administration and that it would be expensive to impose new regulations and would be unnecessary.

Mr. POAGE. Why is there a necessity of repealing the law if it has been on the books for 25 years and the Department has not taken advantage of it?

I admit that it does not appear to do any good, but what possible harm does it do?

Mr. MILLER. It is doing no harm that I know of, Mr. Poage.

The CHAIRMAN. Let us repeal it anyway. [Laughter.]

Are there any further questions? If not, we will go into executive session.

Mr. GRANT. Thank you very much.

The CHAIRMAN. Thank you.

(Whereupon, at 11:20 a.m., the committee proceeded into executive session.)



LEGISLATIVE HISTORY

Public Law 89-106
H. R. 5508

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INDEX AND SUMMARY OF H. R. 5508

Feb.	23, 1965	Summary of proposed bill.
Feb.	25, 1965	Rep. Cooley introduced H. R. 5508 which was referred to House Agriculture Committee. Print of bill as introduced.
Mar.	10, 1965	House committee voted to report H. R. 5508.
Mar.	15, 1965	Sen. Ellender introduced S. 1507 which was referred to Senate Agriculture and Forestry Committee. Print of bill as introduced.
Mar.	26, 1965	House committee reported H. R. 5508 without amendment. H. Report No. 206. Print of bill and report.
April	5, 1965	House passed H. R. 5508 without amendment.
April	7, 1965	H. R. 5508 was referred to the Senate Agriculture and Forestry Committee. Print of bill as referred.
July	21, 1965	Senate committee voted to report H. R. 5508 without amendment.
July	22, 1965	Senate committee reported H. R. 5508 without amendment. S. Report No. 506. Print of bill and report.
July	23, 1965	Senate passed H. R. 5508 without amendment.
Aug.	4, 1965	Approved: Public Law 89-106.

Hearing: House Agriculture Committee on H. R. 5508.

DIGEST OF PUBLIC LAW 89-106

DEPARTMENT OF AGRICULTURE ADMINISTRATIVE OMNIBUS ACT.

Authorizes the Department to erect research facilities or other structures (but not CCC storage facilities) on land, the use of which is secured for the estimated life of, or need for, the structures; and authorizes the use of funds available to the Department for expenses in connection with acquiring the right to use land for such purposes.

Authorizes grants for research to State Agricultural Experiment Stations and others for applied (as well as basic) research.

Authorizes this Department to purchase insurance coverage on its vehicles in foreign countries.

Authorizes assignment of Agricultural Attaches and related personnel for duty in the continental United States, without regard to the civil service laws (and without change in grade, where an appropriate position at the employees' grade is not available) for not more than three years, not exceeding 15 employees at any one time.

Authorizes the Secretary of Agriculture to release Public Law 480 funds for other purposes in cases where 5 percent of the proceeds is larger than the amount needed for the market development program.

Permits employees of this Department, while temporarily involved in a transfer to a State activity under the act of August 2, 1956 (70 Stat. 934), to preserve their health benefits in the same manner as benefits under the Civil Service Retirement Act and the Group Life Insurance Act are retained.

Amends the present legislation providing for the Working Capital Fund of the Department so as to specifically authorize advances to the fund by agencies of the Department for whom central services are furnished through use of the fund.

Authorizes this Department to make appropriate adjustments between funds available to any agency of the Department when an activity involving more than one fund is initially financed by one of the funds.

Repeals Sec. 8f of the Agricultural Adjustment Act of 1933 (an authorization not being effectuated) relating to shipment of grain from public grain warehouses to other warehouses without cancellation of warehouse receipts.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE

Washington, D. C. 20250

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HIGHLIGHTS: Sen. Proxmire disputed Budget Bureau Director Gordon's statements on farm income. Sen. Morse criticized proposed user charges on SCS technical assistance. Sen. Yarborough commended family farmer. Rep. Findley blamed "maladministration" of feed grains program for drop in livestock and poultry farm inventory values.

SENATE

1. INTER-AMERICAN DEVELOPMENT BANK. Began debate on H. R. 45, to authorize \$750 million for U. S. participation in the Fund for Special Operations of the Inter-American Development Bank. pp. 3302-14
2. FARM PROGRAM. Sen. Proxmire disputed statements recently made by Budget Bureau Director Gordon in a magazine article regarding the farm program and farm income, and stated that the decrease in the total number of farmers has not resulted in higher incomes for the remaining farmers. He inserted an exchange of correspondence with Gordon on the matter and the recent speech by Under

Secretary Murphy at the Annual Agricultural Outlook Conference, "Farm Policy Issues for the Years Ahead." pp. 3260-3

3. SOIL CONSERVATION; USER CHARGES. Sen. Morse expressed opposition to the administration proposal to authorize user charges for SCS technical assistance to farmers and ranchers, and inserted resolutions adopted by the National Association of Soil and Water Conservation Districts opposing the proposal. pp. 3253-4
4. FAMILY FARMERS. Sen. Yarborough commended the family farmer, expressed concern over "the continually worsening economic plight of the farmer and rancher" and "the unjustified attacks being made upon the family farmer by large and powerful interests," and inserted an article on the subject. pp. 3255-6
5. FARM LABOR. Sen. Holland inserted a correction of excerpts of the recent testimony of Labor Secretary Wirtz before the S. Agriculture and Forestry Committee reviewing the farm labor situation. pp. 3246-9
6. FARM LOANS. Sen. Morse was added as a cosponsor of S. 709, to amend the Consolidated Farmers Home Administration Act so as to increase the limitation on insured real estate loans, and S. 1034, to authorize the Secretary of Agriculture to grant loans to improve and extend waste disposal and fuel distribution systems serving rural areas. p. 3243

HOUSE

7. ADMINISTRATIVE PROVISIONS. Received from this Department a proposed bill to facilitate the work of the Department; to Agriculture Committee. (p. 3336). The proposal would:
 - Authorize the Department to erect research facilities or other structures (but not CCC storage facilities) on land, the use of which is secured for the estimated life of, or need for, the structures; and authorize the use of funds available to the Department for expenses in connection with acquiring the right to use land for such purposes.
 - Authorize grants for research to State Agricultural Experiment Stations and others for applied (as well as basic) research.
 - Authorize this Department to purchase insurance coverage on its vehicles in foreign countries.
 - Authorize assignment of Agricultural Attaches and related personnel for duty in the continental United States, without regard to the civil service laws (and without change in grade, where an appropriate position at the employees' grade is not available) for not more than three years, not exceeding 15 employees at any one time.
 - Authorize the Secretary of Agriculture to release Public Law 480 funds for other purposes in cases where 5 percent of the proceeds is larger than the amount needed for the market development program.
 - Permit employees of this Department, while temporarily involved in a transfer to a State activity under the act of August 2, 1956 (70 Stat. 934), to preserve their health benefits in the same manner as benefits under the Civil Service Retirement Act and the Group Life Insurance Act are retained.
 - Amend the present legislation providing for the Working Capital Fund of the Department so as to specifically authorize advances to the fund by agencies of the Department for whom central services are furnished through use of the fund.

Authorize this Department to make appropriate adjustments between funds available to any agency of the Department when an activity involving more than one fund is initially financed by one of the funds.

Repeal of Sec. 8f of the Agricultural Adjustment Act of 1933 (an authorization not being effectuated) relating to shipment of grain from public grain warehouses to other warehouses without cancellation of warehouse receipts.

8. LUMBER. Rep. Adair spoke in support of export control on walnut logs and criticized Commerce's suspension of this control. p. 3323
9. WATER RESOURCES. Rep. Perkins commended the proposed Appalachian program and discussed the "need for an expanded program of water resources development" in eastern Ky. pp. 3324-7
0. FEED GRAINS PROGRAM. Rep. Findley claimed "maladministration of the feed grains program beginning in 1961 is responsible for a \$2.8 billion drop in livestock and poultry farm inventory values in the past 2 years." p. 3329
- PATENTS. The Judiciary Committee voted to report (but did not actually report) H. R. 4185, to fix the fees payable to the Patent Office. p. D121
2. ALLIANCE FOR PROGRESS. Rep. Gonzalez inserted an article discussing the activities of the Alliance for Progress and mentioning agricultural loans, water systems, and electric powerlines. pp. 3334-5
3. EDUCATION; RESEARCH. Rep. Smith, Iowa, spoke in support of his bill, H. R. 5255, to authorize the State Department through AID to encourage and assist colleges and universities in the establishment, strengthening, and maintenance of programs on foreign development and for their provision of research, education, training, and advisory and technical assistance, directly or in cooperation with foreign universities, in connection with programs of assistance to developing nations. pp. 3335-6
4. VIRGIN ISLANDS. Rep. Aspinall commended and inserted the speech of John A. Carver, Jr., delivered at the Virgin Islands Constitutional Convention. p. 3321

ITEMS IN APPENDIX

15. WHEAT; FARM EQUIPMENT. Rep. White inserted a report on the results of a survey by the Bonneville County (Idaho) Wheat Growers Assoc. on the relationship of wheat prices to the purchase of farm equipment by wheat growers in the county. p. A785
16. FORESTRY; RECREATION. Extension of remarks of Rep. Cederberg commending recreation facilities at the Huron-Manistee National Forest, Mich., and stating that last year this was the second most used forest area in the Nation from a recreation standpoint. pp. A762-3
17. AWARDS; AGRICULTURE. Extension of remarks of Rep. Conyers commending the presentation of a plaque to this Department as a memorial to the late George Washington Carver for his work in behalf of agriculture. pp. A776-7
18. FARM PEOPLE PROGRAM. Rep. Harvey inserted an editorial outlining "a people program in agriculture to help older farmers, 55 to 65, to retire from small farms-- if they want to." pp. A757-8

19. LIVESTOCK PRICES. Extension of remarks of Sen. Young, N.D., inserting a speech by the president of the Independent Bankers Association stating that farmers and ranchers are not getting a fair share of the market price and assuring them that "credit will not become costlier to...livestock borrowers in the next few months." pp. A759-60
20. NATIONAL FORESTS. Extension of remarks of Sen. Jordan, Idaho, inserting an editorial discussing a report of the Timber Industry Committee of the Salmon (Idaho) Chamber of Commerce on "the upcoming allowable cut figures for the Salmon National Forest." pp. A756-7

BILLS INTRODUCED

21. EDUCATION. S. 1250 by Sen. McGee, to amend Public Law 874, 81st Congress, relating to financial assistance for local educational agencies in federally impacted areas, in order to give the Commissioner of Education discretion to waive a minimum requirement for such assistance; to Labor and Public Welfare Committee.
- S. 1256 by Sen. Tower, to amend Public Law 874, 81st Congress, providing assistance to schools in federally impacted areas, in order to provide for a more gradual reduction of payments pursuant thereto as a result of termination of activities of the Department of Defense; to Labor and Public Welfare Committee. Remarks of author p. 3241-2
- S. 1257 by Sen. Tower, to extend for 5 years Public Laws 815 and 874, 81st Congress, relating to Federal assistance to education in federally impacted areas; to Labor and Public Welfare Committee.
22. PERSONNEL. H. R. 5273 by Rep. Boggs, to provide coverage under the Civil Service Retirement Act for employment in an excluded category which follows employment subject to the act without a break in service of 30 days or less; Post Office and Civil Service Committee.
- H. R. 5286 by Rep. Edwards, Alabama, to amend the Civil Service Retirement Act to provide that accumulated sick leave be credited to the retirement fund or that the individual be reimbursed therefor; to Post Office and Civil Service Committee.
- H. R. 5288 by Rep. Fascell, to alleviate certain hardships to employees in the administration of the Federal Employees' Compensation Act; to Education and Labor Committee. Remarks of author p. 3330
- H. R. 5295 by Rep. Harvey, Michigan, to amend the Civil Service Retirement Act to provide for the adjustment of inequities; to Post Office and Civil Service Committee.
- H. R. 5322 by Rep. Walker, ^{/N. M.} to provide certain increases in annuities payable from the civil service retirement and disability fund, to improve the financing of the civil service retirement system; to Post Office and Civil Service Committee.
23. TAXATION. S. 1252 by Sen. Mundt, to give farmers an additional month in which to meet the requirement of filing a declaration of estimated tax by filing an income tax return for the taxable year for which the declaration is required; to Finance Committee. Remarks of author p. 3241
24. MONOPOLIES. H. R. 5303 by Rep. Mathias, to establish a Conference on the Antitrust Laws; to Judiciary Committee.

89TH CONGRESS
1ST SESSION

H. R. 5508

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 1965

Mr. COOLEY introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To facilitate the work of the Department of Agriculture, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, notwithstanding the provisions of existing law, except
4 the Commodity Credit Corporation Charter Act and without
5 regard to section 355, Revised Statutes, as amended (40
6 U.S.C. 255), but within the limitations of cost otherwise
7 applicable, appropriations of the Department of Agriculture
8 may be expended for the erection of buildings and other
9 structures on land owned by States, counties, municipalities,
10 or other political subdivisions, corporations, or individuals:
11 *Provided,* That prior to such erection there is obtained the

1 right to use the land for the estimated life of or need for the
2 structure, including the right to remove any such structure
3 within a reasonable time after the termination of the right to
4 use the land: *Provided further*, That appropriations and
5 funds available to the Department of Agriculture shall be
6 available for expenses in connection with acquiring the right
7 to use land for such purposes under long-term lease or other
8 agreement.

9 SEC. 2. The Secretary of Agriculture is authorized to
10 make grants, for periods not to exceed five years' duration,
11 to State agricultural experiment stations, colleges, univer-
12 sities, and other research institutions and organizations and
13 to Federal and private organizations and individuals for re-
14 search to further the programs of the Department of Agri-
15 culture. Each recipient of assistance under this section shall
16 keep such records as the Secretary shall prescribe, including
17 records which fully disclose the amount and disposition by
18 such recipient of the proceeds of such grants, the total cost of
19 the project or undertaking in connection with which such
20 funds are given or used, and the amount of that portion of
21 the costs of the project or undertaking supplied by other
22 sources, and such other records as will facilitate an effective
23 audit. The Secretary of Agriculture and the Comptroller
24 General of the United States or any of their duly authorized
25 representatives shall have access for the purpose of audit and

1 examination to any books, documents, papers, and records of
2 the recipients that are pertinent to the grants received under
3 this section.

4 SEC. 3. The Secretary of Agriculture is authorized to
5 obtain insurance to cover the liability of any employee of the
6 Department of Agriculture for damage to or loss of property
7 or personal injury or death caused by the act or omission
8 of any such employee while acting within the scope of his
9 office or employment and while operating a motor vehicle
10 belonging to the United States in a foreign country.

11 SEC. 4. Section 602 of the Agricultural Act of 1954 (68
12 Stat. 908) is amended by adding at the end thereof the
13 following:

14 “(e) Any officer or employee appointed and
15 assigned to a post abroad pursuant to this title may, in
16 the discretion of the Secretary of Agriculture, be assigned
17 for duty in the continental United States, without regard
18 to the civil service laws (and without reduction in grade
19 if an appropriate position at the employee’s grade is not
20 available in any agency of the Department of Agri-
21 culture), for a period of not more than three years:
22 *Provided*, That the total number of such employees
23 assigned for duty in the continental United States under
24 this provision shall not exceed fifteen at any one time:
25 *Provided further*, That this Act shall not increase the

1 number of persons employed at grade GS-16, GS-17,
2 or GS-18.”

3 SEC. 5. Section 104 (a) of the Agricultural Trade Devel-
4 opment and Assistance Act of 1954, as amended (7 U.S.C.
5 1704), is further amended by inserting, after the word
6 “*Provided*,” the following: “That the Secretary of Agri-
7 culture may release such amounts of the foreign currencies
8 so set aside as he determines not to be needed, within a
9 reasonable period of time, for such purpose: *Provided*
10 *further*,”.

11 SEC. 6. Section 4 of the Act of August 2, 1956 (ch.
12 878, 70 Stat. 934; 7 U.S.C. 1884), is hereby amended—

13 (1) by striking the word “insurance” and substi-
14 tuting the word “benefits”;

15 (2) by inserting after “Federal Employee’s Group
16 Life Insurance Act of 1954” the words “and the Fed-
17 eral Employees Health Benefits Act of 1959,”; and

18 (3) by inserting after “employees’ life insurance
19 fund” the words “or the employees’ health benefits
20 fund, as the case may be,”.

21 SEC. 7. Section 1 of the Act of July 12, 1943 (5 U.S.C.
22 542-1), is hereby amended by striking out the word “re-
23 imbursed” and inserting in lieu thereof the words “credited
24 with advances or reimbursements” and inserting after the
25 word “*Provided*,” the following: “That such advances shall

1 not be available for any period beyond that provided by the
2 Act appropriating the funds: *Provided further,*”.

3 SEC. 8. Subject to limitations applicable with respect to
4 each appropriation concerned, each appropriation available
5 to the Department of Agriculture may be charged, at any
6 time during a fiscal year, for the benefit of any other appro-
7 priation available to the Department, for the purpose of
8 financing the procurement of materials and services, or
9 financing activities or other costs, for which funds are avail-
10 able both in the financing appropriation so charged and in
11 the appropriation so benefited; except that such expenses so
12 financed shall be charged on a final basis, as of a date not
13 later than the close of such fiscal year, to the appropriations
14 so benefited, with appropriate credit to the financing ap-
15 propriation.

16 SEC. 9. Section 8f of the Agricultural Adjustment Act of
17 1933, as amended (7 U.S.C. 608f), is hereby repealed.

89TH CONGRESS
1ST SESSION

H. R. 5508

A BILL

To facilitate the work of the Department of
Agriculture, and for other purposes.

By Mr. COOLEY

FEBRUARY 25, 1965

Referred to the Committee on Agriculture

A BILL

TO AMEND THE ACT OF THE 19TH MARCH 1876,
RELATIVE TO THE REGISTRATION OF DEEDS,

IN THE CASE OF

DEEDS OF THE 19TH MARCH 1876,

AND TO AMEND THE ACT OF THE 19TH MARCH 1876,

MARCH 10, 1965

14. VEHICLES. Received from GAO a report "on potential savings by elimination of the requirements for registration, titling, and inspection of Government-owned motor vehicles based in Washington, D. C." p. 4450
15. ADMINISTRATIVE PROCEDURE. Received from the Judiciary Committee a report, "Administrative Practice and Procedure" (S. Rept. 119). p. 4452
16. PERSONNEL; PAY. Received the report of the Joint Committee on Reduction of Nonessential Federal Expenditures on Federal employment and pay for Jan. 1965. pp. 4453-7
17. CROP INSURANCE. Sens. Fong and Inouye were added as cosponsors of S. 1276, to permit the Federal Crop Insurance Corporation to continue to make insurance available to farmers in high-risk counties or areas. p. 4478
18. MARKETING. Sen. Kennedy, N. Y., expressed his support for enactment of truth-in-packaging legislation. pp. 4501-3

HOUSE

19. ADMINISTRATIVE PROVISIONS; OMNIBUS BILL. The Agriculture Committee voted to report (but did not actually report) H. R. 5508, to facilitate the work of the Department of Agriculture. p. D176
20. FORESTRY. The Interior and Insular Affairs Committee voted to report (but did not actually report) H. R. 398, amended, to permit the discovery, location, development, and utilization of the mineral resources of certain public lands in national forests in Colo. p. D176
21. FOREIGN TRADE; TRANSPORTATION. Rep. Rogers, Fla., stated that "in the last half of 1964 over 200 ships flying the allied flag hauled Red cargoes into North Vietnam" and that he has "urged the State Department to stiffen diplomatic pressures on those countries shipping for the Reds." p. 4569
22. CONGRESSIONAL ORGANIZATION. Rep. Hechler spoke in support of H. Con. Res. 4, to establish a Joint Committee on the Organization of the Congress. p. 4570
23. TOBACCO; ADVERTISING. Rep. Vanik stated that he was asking the National Association of Broadcasters to cooperate in the "health hazards of cigarettes" situation by considering voluntary curbs on cigarette advertising. p. 4570
24. RESEARCH. Rep. Roush inserted a chart on the geographic distribution of research and development and grants and called it "startling and disturbing." pp. 4584-5
Rep. Schmidhauser spoke in support of his bill for utilization of solar energy stating that "long-range need for full development of solar energy is quite clear." pp. 4589-90
25. COMMITTEES. Rep. Evins, Tenn., inserted a summary of the agenda of the House Small Business Committee and a listing of the subcommittees. p. 4594
26. FOOD INDUSTRY. Rep. Curtis stated that "the lengthy longshore strike has caused serious economic damage" and inserted a newspaper article, "Dock Strike's Effect of Food Industry--Losses Disastrous to Importers and Exporters." pp. 4606-7

27. ECONOMIC PROGRAM. Rep. Curtis inserted the testimony of Dr. Raymond J. Saulnier before the Joint Economic Committee hearings on the President's Economic Report, p. 4607-10
28. FARM LABOR. Rep. Talcott stated "a bill permitting the importation of temporary supplemental farm labor is urgently needed now." p. 4611
29. OCEANOGRAPHY. Rep. Hanna discussed the challenges of oceanography and urged the advancement of research along this line. pp. 4617-19
30. ELECTRIFICATION. Rep. Ullman defended the Bonneville Power Administration against criticisms "as a result of a recent audit report by the General Accounting Office" and stated that BPA "is ahead in its schedule of repayment to the Treasury." pp. 4621-2
31. HEALTH. Rep. Hansen, Iowa, inserted a letter from a constituent discussing aspects of the medicare bill and expressing the hope that "Congress will deliberate thoroughly...to achieve the common goal that all concerned are hoping for." pp. 4622-3
32. SUGAR. Received a Mont. Legislature resolution urging passage of legislation extending the Sugar Act. p. 4627
33. FLOOD CONTROL. Received a Mont. Legislature resolution requesting "immediate action on a program of flood protection for Montana." p. 4627
34. MEAT IMPORTS. Received a Mont. Legislature resolution "urging vigilance in maintaining quotas on imported meat...and rigid inspection requirements." p. 4627

ITEMS IN APPENDIX

35. MANPOWER TRAINING. Extension of remarks of Sen. Bayh stating that "the need for continued Federal support for manpower retraining is a matter of great interest and concern..." and favoring proposed legislation which would reduce the proportionate amount which must be contributed by the State governments. p. A1084
36. PEACE CORPS. Extension of remarks of Sen. Neuberger commending the Peace Corps program, and inserting a corpsman's report on his reasons for joining and his experiences. pp. A1086-7
37. FARM INCOME. Extension of remarks of Sen. Mondale stating that the results of a poll in Minnesota "indicated that more than 6 out of every 10 Minnesotans feel that the farmers in the United States do not get a fair return on their products." p. A1089
38. APPALACHIA. Rep. Mathias inserted an article, "Appalachia's Forgotten", calling attention to the "old-timers" whom the program will not help. p. A1094
39. FARM LABOR. Extension of remarks of Rep. Talcott stating that "temporary, supplemental farm labor is desperately needed in the vegetable growing areas of California." pp. A1094-5

89TH CONGRESS
1ST SESSION

S. 1507

IN THE SENATE OF THE UNITED STATES

MARCH 15, 1965

Mr. ELLENDER (by request) introduced the following bill; which was read twice
and referred to the Committee on Agriculture and Forestry

A BILL

To facilitate the work of the Department of Agriculture, and
for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, notwithstanding the provisions of existing law except
4 the Commodity Credit Corporation Charter Act and without
5 regard to section 355, Revised Statutes, as amended (40
6 U.S.C. 255), but within the limitations of cost otherwise
7 applicable, appropriations of the Department of Agriculture
8 may be expended for the erection of buildings and other
9 structures on land owned by States, counties, municipalities,
10 or other political subdivisions, corporations, or individuals:
11 *Provided, That prior to such erection there is obtained the*

1 right to use the land for the estimated life of or need for the
2 structure, including the right to remove any such structure
3 within a reasonable time after the termination of the right
4 to use the land: *Provided further*, That appropriations and
5 funds available to the Department of Agriculture shall be
6 available for expenses in connection with acquiring the right
7 to use land for such purposes under long-term lease or other
8 agreement.

9 SEC. 2. The Secretary of Agriculture is authorized to
10 make grants, for periods not to exceed five years' duration,
11 to State agricultural experiment stations, colleges, univer-
12 sities, and other research institutions and organizations and
13 to Federal and private organizations and individuals for
14 research to further the programs of the Department of Agri-
15 culture. Each recipient of assistance under this section shall
16 keep such records as the Secretary shall prescribe, including
17 records which fully disclose the amount and disposition by
18 such recipient of the proceeds of such grants, the total cost
19 of the project or undertaking in connection with which
20 such funds are given or used, and the amount of that portion
21 of the costs of the project or undertaking supplied by other
22 sources, and such other records as will facilitate an effective
23 audit. The Secretary of Agriculture and the Comptroller
24 General of the United States or any of their duly authorized
25 representatives shall have access for the purpose of audit

1 and examination to any books, documents, papers, and rec-
2 ords of the recipients that are pertinent to the grants received
3 under this section.

4 SEC. 3. The Secretary of Agriculture is authorized to
5 obtain insurance to cover the liability of any employee of
6 the Department of Agriculture for damage to or loss of
7 property or personal injury or death caused by the act or
8 omission of any such employee while acting within the
9 scope of his office or employment and while operating a
10 motor vehicle belonging to the United States in a foreign
11 country.

12 SEC. 4. Section 602 of the Agricultural Act of 1954 (68
13 Stat. 908) is amended by adding at the end thereof the
14 following:

15 “(e) Any officer or employee appointed and as-
16 signed to a post abroad pursuant to this title may, in the
17 discretion of the Secretary of Agriculture, be assigned for
18 duty in the continental United States, without regard to
19 the civil service laws, and without reduction in grade
20 if an appropriate position at the employee’s grade is not
21 available in any agency of the Department of Agricul-
22 ture), for a period of not more than three years: *Pro-*
23 *vided*, That the total number of such employees assigned
24 for duty in the continental United States under this pro-
25 vision shall not exceed fifteen at any one time: *Provided*

1 *further*, That this Act shall not increase the number of
2 persons employed at grade GS-16, GS-17, or GS-18.”

3 SEC. 5. Section 104 (a) of the Agricultural Trade De-
4 velopment and Assistance Act of 1954, as amended (7
5 U.S.C. 1704), is further amended by inserting, after the
6 word “*Provided*,” the following: “That the Secretary of
7 Agriculture may release such amounts of the foreign cur-
8 rencies to set aside as he determines not to be needed, within
9 a reasonable period of time, for such purpose: *Provided*
10 *further*,”.

11 SEC. 6. Section 4 of the Act of August 2, 1956 (ch. 878,
12 70 Stat. 934, 7 U.S.C. 1884), is hereby amended—

13 (1) by striking the word “insurance” and sub-
14 stituting the word “benefits”,

15 (2) by inserting after “Federal Employee’s Group
16 Life Insurance Act of 1954” the words “and the Fed-
17 eral Employees Health Benefits Act of 1959”, and

18 (3) by inserting after “employees’ life insurance
19 fund” the words “or the employees’ health benefits fund,
20 as the case may be,”.

21 SEC. 7. Section 1 of the Act of July 12, 1943 (5 U.S.C.
22 542-1), is hereby amended by striking out the word “reim-
23 bursed” and inserting in lieu thereof the words “credited
24 with advances or reimbursements” and inserting after the
25 word “*Provided*,” the following: “That such advances shall

1 not be available for any period beyond that provided by the
2 Act appropriating the funds: *Provided further,*”.

3 SEC. 8. Subject to limitations applicable with respect to
4 each appropriation concerned, each appropriation available
5 to the Department of Agriculture may be charged, at any
6 time during a fiscal year, for the benefit of any other appro-
7 priation available to the Department, for the purpose of
8 financing the procurement of materials and services, or
9 financing activities or other costs, for which funds are avail-
10 able both in the financing appropriation so charged and in
11 the appropriation so benefited; except that such expenses so
12 financed shall be charged on a final basis, as of a date not
13 later than the close of such fiscal year, to the appropriations
14 so benefited, with appropriate credit to the financing appro-
15 priation.

16 SEC. 9. Section 8f of the Agricultural Adjustment Act
17 of 1933, as amended (7 U.S.C. 608f), is hereby repealed.

A BILL

To facilitate the work of the Department of
Agriculture, and for other purposes.

By Mr. ELLENDER

MARCH 15, 1965

Read twice and referred to the Committee on
Agriculture and Forestry

Digest of CONGRESSIONAL PROCEEDINGS

OFFICE OF
BUDGET AND FINANCE

(For information only;
should not be quoted
or cited)

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE

Washington, D. C. 20250

Official Business

Postage and Fees paid

U. S. Department of Agriculture

Issued March 29, 1965

For actions of March 26, 1965

89th-1st; No. 55

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HIGHLIGHTS: House committee reported USDA administrative omnibus bill and bill to extend date for final report of Commission on Food Marketing. House Rules Committee cleared water resources planning bill. Rep. Findley criticized cotton program. Rep. Cooley expressed opposition to, and Reps. Callan and Redlin inserted articles opposing, proposed user charge on SCS technical assistance

HOUSE

1. ADMINISTRATIVE PROVISIONS; OMNIBUS BILL. The Agriculture Committee reported without amendment H. R. 5508, to facilitate the work of this Department (H. Rept. 206)(p. 5965). See Digest 35 for a summary of the provisions of the bill.

2. FOOD MARKETING. The Agriculture Committee reported without amendment H.R. 5702, to extend for one year (until July 1, 1966) the date on which the National

Commission on Food marketing shall make a final report to the President and to the Congress and to authorize \$1 million additional for the work of the Commission (H. Rept. 207). p. 5965

3. WATER RESOURCES. The Rules Committee reported a resolution for consideration of H.R. 1111, to provide for the optimum development of natural resources through the coordinated planning of water and related land resources, through the establishment of a water resources council and river basin commissions, and by providing financial assistance to the States in order to increase State participation in such planning. p. 5966
4. MANPOWER. The Rules Committee reported a resolution for consideration of H.R. 4257, to amend and extend the Manpower Development and Training Act to June 30, 1968. p. 5965
5. EDUCATION. By a vote of 263 to 153, passed with amendments H.R. 2362, the proposed Elementary and Secondary Education Act of 1965 (pp. 5893-5944, 5945-6, 5962). By a vote of 149 to 267, rejected a motion by Rep. Goodell to recommit the bill to the Education and Labor Committee (pp. 5942-3). The bill extends for two years, until June 30, 1968, authorization for Federal assistance to schools in federally impacted areas.
6. FARM LABOR. Rep. Gonzalez criticized the condition of labor camps used under the former Mexican farm labor program and inserted an article stating that Secretary of Labor Wirtz was critical of conditions in the camps. pp. 5956-7
7. FORESTRY. Rep. Olsen criticized the exportation of logs to Japan "while American mills lay off workers because logs are in short supply." and stated that he intended to introduce legislation to control the exportation of logs. pp. 5963-4
8. GRAIN. Received a S. Dak. Legislature resolution "relative to legislation to provide for an increase in the disposal price of grain being sold to millers of cereal grains to 120 percent of the support price, and to work toward long-term barter contracts with the underfed nations of the world to purchase American grain." p. 5967
9. HOUSING AND URBAN DEVELOPMENT. The "Daily Digest" states that the Subcommittee on Executive and Legislative Reorganization of the Government Operations Committee will begin hearings Apr. 5 on H.R. 6654, to create a Department of Housing and Urban Development. p. D234
10. LEGISLATIVE PROGRAM. Rep. Albert announced the legislative program as follows: Tues.: Interior appropriation bill (includes Forest Service); Wed.: water resources planning bill; and Thurs.: manpower development and training bill. p. 5944
11. ADJOURNED until Mon., Mar. 29. p. 5965

SENATE

12. REGIONAL DEVELOPMENT. The "Daily Digest" states that the President's message recommending a program of area and regional economic development in distressed area was received Mar. 25 and referred to the Banking and Currency Committee (H. Doc. 126)(p. D232). See Digest 54 for items of interest.

FACILITATING THE WORK OF THE DEPARTMENT OF AGRICULTURE

MARCH 26, 1965.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. COOLEY, from the Committee on Agriculture, submitting the
following

R E P O R T

[To accompany H.R. 5508]

The Committee on Agriculture, to whom was referred to bill (H.R. 5508) to facilitate the work of the Department of Agriculture, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

The purpose of this bill is to make several relatively minor changes in the laws relating to the administration of the Department of Agriculture. Each section of the bill deals with a separate administrative action and each section is explained in detail in the summary and justification accompanying the executive communication, which appears later in this report.

COST

There is no new or additional appropriating authority in the bill. It is anticipated that several provisions of the bill will result in increased efficiency in the operation of the Department of Agriculture and that the overall effect of the bill may be, therefore, some saving in expenditures.

HEARINGS

Hearings were held on H.R. 5508 on March 10, 1965. This bill is very similar to H.R. 7155 of the 88th Congress. H.R. 7155 was reported to the House, as amended, on August 30, 1963, and passed the House on the Consent Calendar on November 18, 1963, but no action was taken in the Senate.

DEPARTMENTAL APPROVAL

The bill, H.R. 5508, was transmitted to the Speaker by executive communication requesting its enactment and accompanying it was a detailed explanation of each section of the bill. Following is the executive communication from the Secretary of Agriculture and a section-by-section explanation of the bill:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., February 18, 1965.

HON. JOHN W. McCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Enclosed for the consideration of the Congress is a proposed bill to facilitate the work of the Department of Agriculture, and for other purposes.

This Department recommends enactment of the proposed bill.

The draft bill is identical to H.R. 7155 (88th Cong.), which was passed by the House of Representatives on November 18, 1963 except (a) the authority to designate an agricultural attaché as "agricultural counselor" under appropriate circumstances has been omitted from the revised bill, (b) specific authority for the transfer of equipment to the working capital fund in furnishing approved central services has been omitted, and (c) a specific provision has been added to make clear that advances to the working capital fund would not extend the availability of funds.

The draft bill, as now proposed, would provide authority which we believe is needed to more efficiently and effectively administer the Department's programs. The several sections of the proposed legislation are independent, and each would provide specific authority which would facilitate the administration of the work of the Department. The draft bill would—

(1) Authorize the Department to erect research facilities or other structures on land, the use of which is secured for the estimated life of, or need for, the structures; and authorize the use of funds available to the Department for expenses in connection with acquiring the right to use land for such purposes.

(2) Authorize grants for research to State agricultural experiment stations and others to implement the programs of this Department.

(3) Authorize this Department to purchase insurance coverage on its vehicles in foreign countries.

(4) Authorize assignment of agricultural attachés and related personnel for duty in the continental United States, without regard to the civil service laws (and without change in grade where an appropriate position is not available), for not more than 3 years.

(5) Authorize the Secretary of Agriculture to release Public Law 480 funds for other purposes in cases where 5 percent of the proceeds is larger than the amount needed for the market development program.

(6) Permit employees of this Department, while temporarily involved in a transfer to a State activity under the act of August 2, 1956 (70 Stat. 934), to preserve their health benefits in the same

manner as benefits under the Civil Service Retirement Act and the Group Life Insurance Act are retained.

(7) Amend the present legislation providing for the working capital fund of the Department so as to specifically provide for advances to the fund by agencies of the Department for whom central services are furnished through use of the fund.

(8) Authorize appropriate adjustments between funds available to any agency of the Department.

(9) Repeal a provision relating to shipment of grain from public grain warehouses to other warehouses without cancellation of warehouse receipts.

Attached to the draft bill are statements explaining the purpose of each of the sections of the proposed legislation.

A similar letter is being sent to the President of the Senate.

The Bureau of the Budget advises that there is no objection to the presentation of this proposed legislation from the standpoint of the administration's program.

Sincerely yours,

ORVILLE L. FREEMAN, *Secretary.*

SUMMARY AND JUSTIFICATION OF PROVISIONS OF DRAFT BILL

Section 1. *Authorize the Department to erect research facilities or other structures (but not CCC storage facilities) on land, the use of which is secured for the estimated life of, or need for, the structures; and authorize the use of funds available to the Department for expenses in connection with acquiring the right to use land for such purposes.*

States, land-grant colleges, and universities, counties, cities, corporations, and private individuals are often willing to allow the Department to erect, maintain, and operate research facilities and other structures on land owned by them for such period as the land may be needed. In many cases they are, however, unwilling or unable for legal or other reasons to sell or donate the land to the Federal Government. In other cases the Congress has authorized the construction of research facilities on land to be donated, and considerable delay has been experienced in completing the necessary legal arrangements for transfer of title to the Federal Government, impairing the orderly progress of urgent research activities. Under existing legal restrictions the Department is prohibited from erecting permanent facilities on land not owned by the United States, except where specifically authorized.

The proposed legislation would provide authority to the Department of Agriculture to erect structures on land, the use of which is secured for the estimated life of, or need for, the structures. It is expected that such leases would usually be obtained at a nominal cost to the United States. A structure erected under this authority would be subject to any cost limitation fixed by the Congress in appropriation or other acts. Leases would be required to provide for the Government's right to remove the structure within a reasonable time after the termination of the lease.

This authority would be similar to the authority provided to the Forest Service by Public Law 478, 81st Congress, approved April 24, 1950 (16 U.S.C. 571c). In view of the successful experience of the Forest Service in operating under this authorization, it is proposed to extend similar authority to other agencies of the Department.

This authority would probably be used largely for the construction of research facilities. It could also be used to provide facilities for quarantine, grading, insect control, inspection, and other work from time to time.

In addition, the last proviso would authorize the use of appropriations and other funds available to the Department at the time of entering into the use arrangement for expenses in connection with acquiring the right to use land for the entire period. Under present requirements the Department cannot enter into satisfactory long-term leases or other arrangements for acquiring right to use land for programs financed by annual appropriations, since it has been held that annual appropriations may only be charged with the proportionate share of the cost applicable to the year the appropriation is available.

The authorization would exclude storage facilities under the Commodity Credit Corporation Charter Act, and would not in any manner override the proviso in section 4(h) of the Commodity Credit Corporation Charter Act prohibiting the CCC from acquiring real property, or any interest therein to provide storage facilities for any commodity unless the CCC determines that existing privately owned storage facilities in the area are not adequate.

Section 2. *Authorize grants for research to State agricultural experiment stations and others to implement the programs of this Department.*

The Department has had authority for a number of years to make contracts and agreements authorized under the Research and Marketing Act of 1946 (Public Law 733, 79th Cong.) and Public Law 545, 83d Congress, for commercialization, market acceptance, and economic feasibility of industrial utilization of agricultural products and processes and for other research activities of the Department. Public Law 85-934 provides authority to make grants only for basic research. It would be extremely helpful if broader authority were available so that the Department could make grants for applied as well as basic research, for limited periods, to State agricultural experiment stations, colleges, universities, and other research institutions and organizations and to Federal and private organizations and individuals to further the research programs of the Department. Grants could be spread over a period of not to exceed 5 years, but would be made from appropriations current at the time the agreements are entered into. It is not intended that such grants would be used for the modification, extension, or other improvement of the grantee's facilities.

It is difficult to make a fine distinction where basic research ends and applied research begins. This could lead to legal

interpretations and result in complications in making grants. Also, following basic research grants to certain institutions or individuals, research leads may develop which would require followthrough for certain phases of applied research consequent to the basic research results. For example, research on hybrid corn started with basic research by Shull of Princeton and Jones of the Connecticut Agricultural Experiment Station, who discovered the fact of heterosis, but intimately associated applied research on yield increases due to heterosis has resulted in an increase of corn yields of 15 or 20 percent in the United States. If the authority is restricted to basic research, it would not be possible to follow up such leads under the basic research grants.

The science departments of the land-grant and other colleges and universities have experienced research people—professors and research assistants—that are capable of making substantial contributions to our research programs. Many are outstanding experts in their respective fields and could bring to bear upon the various phases of the Department's research activities unique experience and techniques. The Department's program would benefit materially by having opportunity to avail itself through grants of this pool of talent.

Recipients of grants would be required to keep adequate records, and the Secretary of Agriculture and the Comptroller General of the United States would be given the clear right of access to such records for audit purposes.

Section 3. Authorize this Department to purchase insurance coverage on its vehicles in foreign countries

Such authority already exists regarding the Foreign Agricultural Service. The bill would extend the same authority to other agencies of the Department with employees overseas. The Department has more than 100 additional vehicles abroad, under programs administered by constituent agencies other than the FAS, most of which are trucks operating in Mexico in connection with research or control measures relating to plant pests. Other countries in which cars or trucks of this Department are located are Brazil, England, France, Italy, Iran, Kenya, Morocco, and the Netherlands.

In many foreign countries situations exist which necessitate carrying insurance on federally owned vehicles. In some cases these result from requirements of law of a country; in others, from legal procedures which result in extreme difficulty to drivers and passengers even when apparently free of actual responsibility in the circumstances of an accident. Since the provisions of the Federal Tort Claims Act are not applicable to claims arising in foreign countries (28 U.S.C. 2680(k)), employees would be forced to bear the full impact of judgment in accident cases arising out of the performance of official duties.

Some employees carry insurance related to operation of Government-owned vehicles and bear the cost out of their own pockets. For example, an employee in Morocco had to bear the insurance cost on two federally owned trucks

since they were essential to our work and could not be operated without it.

Section 4 (amendment of sec. 602 of the Agricultural Act of 1954 (68 Stat. 908)). *Authorize assignment of agricultural attachés and related personnel for duty in the continental United States, without regard to the civil service laws (and without change in grade, where an appropriate position at the employees' grade is not available) for not more than 3 years, not exceeding 15 employees at any one time.*

Under the present rotation system, it is the policy to assign employees to one or more tours of duty in the United States following periods of continuous service of over 4 years overseas. Under this program the service is strengthened both in Washington and in the field. Persons with field experience will be more valuable in positions in the United States, and persons in attaché positions will be better informed and more effective because of experience gained in dealing, on a day-to-day basis, with U.S. problems in the Department.

Problems sometimes arise in matching the grades of attachés with the grades of existing vacancies in the Department. Authorization for detail would enable the Department to make the best use of its personnel and would avoid delay or other difficulty in utilizing to the fullest the experience of agricultural attachés. Such authority is essential in operating a system of rotation of employees between agricultural attaché and similar positions at oversea posts and positions in the continental United States. Similar authority is available to the Department of State under section 961 of the Foreign Service Act.

Section 5 (amendment of sec. 104(a) of the Agricultural Trade Development Act of 1954 (7 U.S.C. 1704)). *Authorize the Secretary of Agriculture to release Public Law 480 funds for other purposes in case where 5 percent of the proceeds is larger than the amount needed for the market development program.*

Foreign currencies requested to be set aside for the agricultural market development program under section 104(a) of Public Law 480 amount to about \$260 million. Of this amount, 38 percent is in seven excess currency countries of Burma, India, Israel, Pakistan, Poland, United Arab Republic (Egypt), and Yugoslavia. Nearly 13 percent is in India alone.

In addition a set-aside of \$50 to \$75 million equivalent is expected from 5 percent of agreements signed each year. The percentage set aside may vary by countries but has to equal at least 5 percent of the total proceeds. The amount available for U.S. uses in nonexcess currency countries does not make it possible to substantially increase the set-aside in those countries to reduce materially the set-aside in the excess currency countries.

There are some nonexcess currency countries where 5 percent of the proceeds is larger than the amount needed for the market development program. The balance not needed by Agriculture could, with enabling legislation, be released for other U.S. uses. This cannot be done at the present time without increasing the set-aside in other countries which in most cases would have to be excess currency countries. It is not considered desirable to retain large amounts of currencies set aside for USDA market development when prospects for their use in a reasonable period of years are extremely limited.

The proposed legislation is needed to authorize the Secretary of Agriculture to release currencies not required by the Department over the period of years as determined by the Secretary.

Section 6 (amendment of sec. 4 of the act of August 2, 1956). *Permit employees of this Department, while temporarily involved in a transfer to a State activity under the act of August 2, 1956 (70 Stat. 934), to preserve their health benefits in the same manner as benefits under the Civil Service Retirement Act and the Group Life Insurance Act are retained.*

The Department is now authorized, under the provisions of Public Law 918, 84th Congress, approved August 2, 1956 (70 Stat. 934), to interchange employees with States for a period of not to exceed 2 years. This law was enacted so the Federal Government and the several States might better cooperate in problems arising as a result of the interrelationships of their work in the field of agriculture.

Department employees who transfer to a State position under this legislation are considered to be in a status of leave of absence from their positions in the Department and are carried on leave without pay. During such status of leave of absence, the law permits the employee to retain coverage under the Civil Service Retirement Act and the Federal Employees Group Life Insurance Act of 1954, so long as he continues to make payments into the retirement fund and the life insurance fund in the proper amounts.

Due to the wording of the Federal Employees Health Benefits Act of 1959, employees who are on leave without pay may not receive health benefits coverage beyond 1 year. Thus it is possible that Department employees who are involved in a transfer to a State activity under Public Law 918 may be without coverage under the Health Benefits Act for as much as a year under a 2-year interchange. The proposed legislation would permit the employees to preserve their health benefits coverage in the same manner as benefits under the Civil Service Retirement Act and the Group Life Insurance Act are retained.

Approval of the proposal by the Congress would facilitate the Department's efforts in providing for cooperation between the Department and the States in research and regulatory activities. Employees will accept assignments more

readily in State activities if their health benefits coverage is not jeopardized.

Section 7 (amendment of sec. 1 of the act of July 12, 1943 (5 U.S.C. 542-1)). *Amend the present legislation providing for the working capital fund of the Department so as to specifically authorize advances to the fund by agencies of the Department for whom central services are furnished through use of the fund.*

The Agricultural Appropriation Act of 1944 appropriated a working capital fund of \$400,000, without fiscal year limitation, for the payment of salaries and other expenses necessary to the maintenance and operation of various central administrative services for the agencies of the Department. This fund has made unnecessary the maintenance of separatelike services in the agencies and has contributed to more economical and efficient management of the Department.

The present law provides that the working capital fund shall be reimbursed from appropriations made to the agencies of the Department. The fund is used for the purchase of materials, supplies, and equipment, and the payment of salaries, wages, and other necessary operating expenses in carrying out the central services, pending receipt of reimbursements.

Since 1944 additional services have been provided through the use of the fund. Also, there have been substantial increases in salaries and wages and in prices for materials and equipment. Therefore, it has become difficult to finance these services from the \$400,000 appropriated capital pending reimbursement. Additional central services may be placed under the fund in the future.

Authority for the agencies to advance funds for paying operating costs for services ordered by them would enable the Department to provide other services which may be initiated in the future, without an increase in the appropriation for the working capital. Advances would be made only on the basis of firm orders placed with the fund for specific services within the same fiscal year, and such advances would be applied in accordance with the principles set forth in section 1210 of the act of September 6, 1950 (31 U.S.C. 686-1).

Section 8. *Authorize the Department of Agriculture to make appropriate adjustments between funds available to any agency of the Department*

Several Department of Agriculture agencies administer programs financed from appropriations and funds which must be charged with administrative and operating costs. Programs financed from different funds often involve activities carried out under integrated plans of work inevitably resulting in expenditures from one fund benefiting other funds.

These include (1) work camps providing eating facilities which occasionally furnish meals to employees financed from funds other than the financing fund, (2) specialized and technical services performed by personnel of one organizational

unit to a unit financed from other funds, and (3) administrative costs where the exact charge to benefiting funds cannot be determined at the time payment is made. Soil testing and cartographic services are performed for the benefit of five or more funds of an agency.

In activities of this nature, benefiting several appropriations and funds, charges on individual payment vouchers cannot be practically allocated at the time each payment is made. The most practicable way to accurately charge benefiting funds with the cost of work of the type described is to record initially in one amount the total expenses and charge each fund periodically with the proper cost.

Appropriation and fund adjustment for joint costs cannot be made without specific legislative authority where the financing and the benefiting funds are administered by the same Department of Agriculture agency, regardless of the number of funds available for program financing. Authority for the Department of Agriculture to finance materials and services from one fund of an agency and later during the same fiscal year charge benefiting funds of the same agency with the correct costs would permit improved recordkeeping and cost accounting practices. Materials and services financed under this authority would be those properly chargeable to both the financing and benefiting funds.

Where materials or services are furnished by one agency for the benefit of another Department of Agriculture or Federal agency the cost can be transferred by accounting adjustments under several authorities available to the Department of Agriculture. Section 601 of the Economy Act (31 U.S.C. 686) provides general authority to support reimbursement procedures for costs financed by other Government agencies.

Additional authorities for similar procedures are provided in such statutes, as 7 U.S.C. 1387 for reproductions of aerial or other photographs, mosaics and maps; 16 U.S.C. 590q-1 for furnishing supplies, materials, and equipment; and 5 U.S.C. 571 for inspections, analyses, and tests of food and other products.

The proposed legislation would enable the Department of Agriculture to use accounting practices for expense financing and adjustment related to intra-agency services that is comparable with reimbursements between appropriations of different agencies. The authority would be used only where services and materials can be more efficiently and economically supplied through the adjustment practices. The proposed legislation makes clear that such adjustments would continue to be subject to any limitation applicable with respect to the appropriations concerned.

This authority would be similar to the authority provided to the Census Bureau by Public Law 87-489, approved June 19, 1962 (13 U.S.C. 14).

Section 9 (repeal of sec. 8f of the Agricultural Adjustment Act of 1933 (7 U.S.C. 608f)). *Repeal a provision relating to shipment of grain from public grain warehouses to other warehouses without cancellation of warehouse receipts.*

Section 8f of the Agricultural Adjustment Act of 1933 (7 U.S.C. 608f), as originally enacted, made it unlawful, subject to a penalty of fine and imprisonment, for public warehousemen storing basic commodities to deliver such commodities from their warehouses without surrender of the outstanding warehouse receipt.

In 1940, the section was amended to permit the shipment of grain from public country grain warehouses to other warehouses without taking up and canceling warehouse receipts for such grain. This practice was to be regulated with a view to protecting the owners of the grain "under such regulations as the Secretary of Agriculture might prescribe." The prohibition in the original section was retained with respect to all other warehouses.

For a number of reasons the regulations which would be required to administer the provisions of this section have not been prescribed.

The subject matter covered by section 8f is subject matter fully covered by the Uniform Warehouse Receipts Act in the several States; by various State warehousing statutes and regulations with respect to public warehouses licensed under such statutes; by the United States Warehouse Act with respect to public warehouses licensed under that act; and by storage contracts which almost all public warehouses have entered into the Commodity Credit Corporation. Further proliferation of regulations dealing with the same subject matter appears unnecessary, especially if such additional regulations agree in part and disagree in part with regulations already governing the subject matter.

The laudable purpose of section 8f and the regulations which might be issued pursuant thereto was to achieve a further measure of protection to depositors in public warehouses. The Department feels, however, that existing machinery for regulating and policing such warehouses is much stronger than it was in 1933 or 1940. Protection has therefore been improved. The Department is also of the opinion that the most effective means of attaining additional protection lies in strengthening the warehousing statutes, regulations, and policing activities of the States, and the Federal Government where a need for additional protection is found, rather than attempting new regulations and administrative machinery under the Agricultural Adjustment Act.

The Department is reluctant to incur the expense of promulgating regulations and the administrative costs of enforcing them in a field already quite fully occupied under other State and Federal authority.

For these reasons, and to avoid the confusion of contradictory treatment of the same subject matter under various statutes, we recommend that section 8f be repealed.

CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, existing law in which no change is proposed is shown in roman):

AGRICULTURAL ACT OF 1954

* * * * *

TITLE VI—AGRICULTURAL ATTACHÉS

* * * * *

SEC. 602. (a) To effectuate the carrying out of the purposes of this title, the Secretary of Agriculture is authorized to appoint such personnel as he determines to be necessary and, with the concurrence of the Secretary of State, to assign such personnel to service abroad, and the Secretary of Agriculture may place not to exceed eight positions in grade 16 and two in grade 17 of the General Schedule of the Classification Act of 1949, as amended, in accordance with the standards and procedures of that Act and such positions shall be in addition to the number authorized in section 505 of that Act.

(b) Officers or employees assigned or appointed to a post abroad pursuant to this title shall have the designation of Agricultural Attaché, or other titles or designations, which shall be jointly agreed to by the Secretary of State and the Secretary of Agriculture.

(c) Upon the request of the Secretary of Agriculture, the Secretary of State shall regularly and officially attach the officers or employees of the United States Department of Agriculture to the diplomatic mission of the United States in the country in which such officers or employees are to be assigned by the Secretary of Agriculture, and shall obtain for them diplomatic privileges and immunities equivalent to those enjoyed by Foreign Service personnel of comparable rank and salary.

(d) The President shall prescribe regulations to insure that the official activities of persons assigned abroad under this title are carried on (1) consonant with United States foreign policy objectives as defined by the Secretary of State; (2) in accordance with instructions of the Secretary of Agriculture with respect to agricultural matters; and (3) in coordination with other representatives of the United States Government in each country, under the leadership of the Chief of the United States Diplomatic Mission.

(e) *Any officer or employee appointed and assigned to a post abroad pursuant to this title may, in the discretion of the Secretary of Agriculture, be assigned for duty in the continental United States, without regard to the civil service laws (and without reduction in grade if an appropriate position at the employee's grade is not available in any agency of the Department of Agriculture), for a period of not more than three years: Provided, That the total number of such employees assigned for duty in the continental United States under this provision shall not exceed fifteen*

at any one time: Provided further, That this Act shall not increase the number of persons employed at grade GS-16, GS-17, or GS-18.

AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

* * * * *

SEC. 104. Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, the President may use or enter into agreements with friendly nations or organizations of nations to use the foreign currencies, including principal and interest from loan repayments, which accrue under this title for one or more of the following purposes:

(a) To help develop new markets for United States agricultural commodities on a mutually benefiting basis. From sale proceeds and loan repayments under this title not less than the equivalent of 5 per centum of the total sales made each year under this title after the date of this amendment shall be set aside in the amounts and kinds of foreign currencies specified by the Secretary of Agriculture and made available in advance for use as provided by this subsection over such period of years as the Secretary of Agriculture determines will most effectively carry out the purpose of this subsection: *Provided, That the Secretary of Agriculture may release such amounts of the foreign currencies so set aside as he determines not to be needed, within a reasonable period of time, for such purpose: Provided further, That* no such funds shall be allocated under this subsection after June 30, 1960, except as may be specified, from time to time, in appropriation acts. Provision shall be made in sale and loan agreements for the convertibility of such amount of the proceeds thereof (not less than 2 per centum) as the Secretary of Agriculture determines to be needed to carry out the purpose of this subsection in those countries which are or offer reasonable potential of becoming dollar markets for United States agricultural commodities. Such sums shall be converted into the types and kinds of foreign currencies as the Secretary deems necessary to carry out the provisions of this subsection and such sums shall be deposited to a special Treasury account and shall not be made available or expended except for carrying out the provisions of this subsection. Notwithstanding any other provision of law, if sufficient foreign currencies for carrying out the purpose of this subsection in such countries are not otherwise available, the Secretary of Agriculture is authorized and directed to enter into agreements with such countries for the sale of surplus agricultural commodities in such amounts as the Secretary of Agriculture determines to be adequate and for the use of the proceeds to carry out the purpose of this subsection;

ACT OF AUGUST 2, 1956

(70 Stat. 934)

* * * * *

SEC. 4. Employees of the Department participating in an exchange of personnel as authorized in section 3 may be considered during such participation to be (1) on detail to a regular work assignment of the

Department, or (2) in a status of leave-of-absence from their positions in the Department. Employees who are considered to be detailed shall be entitled to the same salary and benefits to which they would otherwise be entitled and shall remain employees of the Department for all other purposes except that the supervision of their duties during the period of detail may be governed by agreement between the Department and the State involved. Employees who are in a leave-of-absence status as provided herein shall be carried on leave without pay: *Provided*, That they may be granted annual leave to the extent authorized by law and may be granted authorized sick leave only in circumstances considered by the Secretary to justify approval of such leave. Except as otherwise provided in this Act, such employees shall have the same rights, benefits, and obligations as employees generally who are in such leave status but notwithstanding any other provision of law such employees shall be entitled to credit the period of such assignment (1) toward periodic and longevity step-increases, and (2) upon payment into the retirement fund of the percentage of their State salary which would have been deducted from a like Federal salary for the period of such assignment, to credit such period as service within the meaning of the Civil Service Retirement Act; and they shall also be entitled to continuation of their [insurance] *benefits* under the Federal Employees' Group Life Insurance Act of 1954 and the Federal Employees Health Benefits Act of 1959, so long as the Department continues to collect the employee's contribution from the employee and to transmit for timely deposit into the employees' life insurance fund or the employees' health benefits fund, as the case may be, the amount of the employee's contribution, and the Government's contribution from Department appropriations. Any employee who participates in an exchange under the terms of this section who suffers disability or death as a result of personal injury arising out of an in the course of an exchange, or sustained in the performance of duties in connection therewith shall be treated, for the purposes of the Federal Employees' Compensation Act, as amended (5 U.S.C., sec. 790), as though he were an employee, as defined in such Act, who had sustained such injury in the performance of such duty, but shall not receive benefits under that Act for any period for which he elects to receive similar benefits from a State agency.

ACT OF JULY 12, 1943

(57 Stat. 392)

* * * * *

WORKING CAPITAL FUND

For the establishment of a working capital fund, \$400,000, without fiscal year limitation, for the payment of salaries and other expenses necessary to the maintenance and operation of (1) central duplicating, photographic, and tabulating services, (2) a central motor-transport service for the maintenance, repair, and operation of motor-transport vehicles and other equipment, (3) a central supply service for the purchase, storage, handling, issuance, packing, or shipping of stationery, supplies, equipment, blank forms, and miscellaneous materials, for which stocks thereof, not to exceed \$200,000 in value (except for

the value of blank forms) at the close of any fiscal year, may be maintained sufficient to meet, in whole or in part, requirements of the bureaus and offices of the Department in the city of Washington and elsewhere, and (4) such other services as the Secretary, with the approval of the Director of the Bureau of the Budget, determines may be performed more advantageously as central services; said fund to be **[reimbursed]** *credited with advancements or reimbursements* from applicable funds of bureaus, and agencies for which services are performed on the basis of rates which shall include estimated or actual charges for personal services, materials, equipment, (including maintenance, repairs, and depreciation) and other expenses: *Provided, That such advances shall not be available for any period beyond that provided by the Act appropriating the funds: Provided further, That such central services shall, to the fullest extent practicable, be used to make unnecessary the maintenance of separate like services in the bureaus, offices, and agencies of the department: Provided further, That a separate schedule of expenditures and reimbursements, and a statement of the current assets and liabilities of the working capital fund as of the close of the last completed fiscal year, shall be included in the annual Budget.*

Total, Office of the Secretary, \$1,898,184.

AGRICULTURAL ADJUSTMENT ACT OF 1933

(Section 8f, as amended)

(54 Stat. 1019; 7 U.S.C. 608f)

[SEC. 8f. No person operating a public warehouse for the storage of any basic agricultural commodity in the current of interstate or foreign commerce shall deliver any such commodity upon which a warehouse receipt has been issued and is outstanding without prior surrender and cancelation of such warehouse receipt, except that any person operating a country public grain warehouse or warehouses may, because of lack of sufficient space to accommodate all depositors, move storage grain out of such warehouse or warehouses to another warehouse for continuous storage, under such regulations as the Secretary of Agriculture may prescribe. A non-negotiable warehouse receipt shall be issued by the warehouseman to whom the grain was shipped, and said receiving warehouseman shall give such guaranty and shall store such grain under such regulations as the Secretary of Agriculture may prescribe to assure delivery to the rightful owner of such grain in the amount, and of the kind, quality, and grade called for by his receipts. Any warehouseman who intends to ship grain while his original receipt is outstanding must recite in his receipt both the name and address of his warehouse as well as that of the warehouse to which the grain may be shipped for further storage. All grain shipped under this section must be shipped under a non-negotiable bill of lading. Any person violating any of the provisions of this subsection shall, upon conviction, be punished by a fine of not more than \$5,000, or by imprisonment for not more than two years, or both. This Act shall not be construed as amending or changing in any manner the United States Warehouse Act of August 11, 1916, as amended.]

89TH CONGRESS
1ST SESSION

H. R. 5508

[Report No. 206]

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 1965

Mr. COOLEY introduced the following bill; which was referred to the Committee on Agriculture

MARCH 26, 1965

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To facilitate the work of the Department of Agriculture, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled.*
3 That, notwithstanding the provisions of existing law, except
4 the Commodity Credit Corporation Charter Act and without
5 regard to section 355, Revised Statutes, as amended (40
6 U.S.C. 255), but within the limitations of cost otherwise
7 applicable, appropriations of the Department of Agriculture
8 may be expended for the erection of buildings and other
9 structures on land owned by States, counties, municipalities,
10 or other political subdivisions, corporations, or individuals:
11 *Provided*, That prior to such erection there is obtained the

1 right to use the land for the estimated life of or need for the
2 structure, including the right to remove any such structure
3 within a reasonable time after the termination of the right to
4 use the land: *Provided further*, That appropriations and
5 funds available to the Department of Agriculture shall be
6 available for expenses in connection with acquiring the right
7 to use land for such purposes under long-term lease or other
8 agreement.

9 SEC. 2. The Secretary of Agriculture is authorized to
10 make grants, for periods not to exceed five years' duration,
11 to State agricultural experiment stations, colleges, univer-
12 sities, and other research institutions and organizations and
13 to Federal and private organizations and individuals for re-
14 search to further the programs of the Department of Agri-
15 culture. Each recipient of assistance under this section shall
16 keep such records as the Secretary shall prescribe, including
17 records which fully disclose the amount and disposition by
18 such recipient of the proceeds of such grants, the total cost of
19 the project or undertaking in connection with which such
20 funds are given or used, and the amount of that portion of
21 the costs of the project or undertaking supplied by other
22 sources, and such other records as will facilitate an effective
23 audit. The Secretary of Agriculture and the Comptroller
24 General of the United States or any of their duly authorized
25 representatives shall have access for the purpose of audit and

1 examination to any books, documents, papers, and records of
2 the recipients that are pertinent to the grants received under
3 this section.

4 SEC. 3. The Secretary of Agriculture is authorized to
5 obtain insurance to cover the liability of any employee of the
6 Department of Agriculture for damage to or loss of property
7 or personal injury or death caused by the act or omission
8 of any such employee while acting within the scope of his
9 office or employment and while operating a motor vehicle
10 belonging to the United States in a foreign country.

11 SEC. 4. Section 602 of the Agricultural Act of 1954 (68
12 Stat. 908) is amended by adding at the end thereof the
13 following:

14 “(e) Any officer or employee appointed and
15 assigned to a post abroad pursuant to this title may, in
16 the discretion of the Secretary of Agriculture, be assigned
17 for duty in the continental United States, without regard
18 to the civil service laws (and without reduction in grade
19 if an appropriate position at the employee’s grade is not
20 available in any agency of the Department of Agri-
21 culture), for a period of not more than three years:
22 *Provided*, That the total number of such employees
23 assigned for duty in the continental United States under
24 this provision shall not exceed fifteen at any one time:
25 *Provided further*, That this Act shall not increase the

1 number of persons employed at grade GS-16, GS-17,
2 or GS-18.”

3 SEC. 5. Section 104 (a) of the Agricultural Trade Devel-
4 opment and Assistance Act of 1954, as amended (7 U.S.C.
5 1704), is further amended by inserting, after the word
6 “*Provided*,” the following: “That the Secretary of Agri-
7 culture may release such amounts of the foreign currencies
8 so set aside as he determines not to be needed, within a
9 reasonable period of time, for such purpose: *Provided*
10 *further*,”.

11 SEC. 6. Section 4 of the Act of August 2, 1956 (ch.
12 878, 70 Stat. 934; 7 U.S.C. 1884), is hereby amended—

13 (1) by striking the word “insurance” and substi-
14 tuting the word “benefits”;

15 (2) by inserting after “Federal Employees’ Group
16 Life Insurance Act of 1954” the words “and the Fed-
17 eral Employees Health Benefits Act of 1959,”; and

18 (3) by inserting after “employees’ life insurance
19 fund” the words “or the employees’ health benefits
20 fund, as the case may be,”.

21 SEC. 7. Section 1 of the Act of July 12, 1943 (5 U.S.C.
22 542-1), is hereby amended by striking out the word “re-
23 imbursed” and inserting in lieu thereof the words “credited
24 with advances or reimbursements” and inserting after the
25 word “*Provided*,” the following: “That such advances shall

1 not be available for any period beyond that provided by the
2 Act appropriating the funds: *Provided further,*”.

3 SEC. 8. Subject to limitations applicable with respect to
4 each appropriation concerned, each appropriation available
5 to the Department of Agriculture may be charged, at any
6 time during a fiscal year, for the benefit of any other appro-
7 priation available to the Department, for the purpose of
8 financing the procurement of materials and services, or
9 financing activities or other costs, for which funds are avail-
10 able both in the financing appropriation so charged and in
11 the appropriation so benefited; except that such expenses so
12 financed shall be charged on a final basis, as of a date not
13 later than the close of such fiscal year, to the appropriations
14 so benefited, with appropriate credit to the financing ap-
15 propriation.

16 SEC. 9. Section 8f of the Agricultural Adjustment Act of
17 1933, as amended (7 U.S.C. 608f) , is hereby repealed.

89TH CONGRESS
1ST Session

H. R. 5508

[Report No. 206]

A BILL

To facilitate the work of the Department of
Agriculture, and for other purposes.

By Mr. COOLEY

FEBRUARY 25, 1965

Referred to the Committee on Agriculture

MARCH 26, 1965

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

7500 H. R. 5508

(House: For the)

A BILL

to amend the law relating to the

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14. LEGISLATIVE PROGRAM. Sen. Mansfield said the military procurement bill is to be considered today, followed by the education bill on Apr. 7. p. 6790

HOUSE

15. ADMINISTRATIVE PROVISIONS; OMNIBUS BILL. Passed without amendment H. R. 5508, to facilitate the work of this Department (pp. 6584-6). See Digest 35 for a summary of the provisions of the bill.
16. FOOD MARKETING. Passed, under suspension of the rules, H. R. 5702, to extend for one year (until July 1, 1966) the date on which the National Commission on Food Marketing shall make a final report to the President and to the Congress, and to authorize \$1 million additional for the work of the Commission. pp. 6587-90
17. TREASURY, POST OFFICE, AND EXECUTIVE OFFICE APPROPRIATION ACT, 1966. By a vote of 344 to 7, passed without amendment this bill, H. R. 7060 (pp. 6606-38). The bill includes funds for the Budget Bureau, Council of Economic Advisers, and Advisory Commission on Intergovernmental Relations.
18. SECOND SUPPLEMENTAL APPROPRIATION BILL, 1965. The Appropriations Committee formally reported (on Apr. 2, during adjournment) this bill, H. R. 7091 (p. 6677). See Digest 59, part 2, for a summary of items of interest.
19. FORESTRY. Passed as reported H. R. 398, to permit the exploration, development, utilization, entry, and patent of the mineral resources on approximately 7,178 acres of land in the Gunnison, Rio Grande, San Juan, and White River National Forests in Colorado. pp. 6583-8
At the request of Rep. Cooley, H. R. 6891, to provide for family winter recreational use of a portion of the San Geronio Wilderness Area, San Bernardino National Forest, Calif., was rereferred from the Agriculture Committee to the Interior and Insular Affairs Committee. p. 6587
20. NATIONAL PARKS. The Subcommittee on National Parks and Recreation of the Interior and Insular Affairs Committee voted to report to the full committee with amendment H. R. 500, to provide for the establishment of the Agate Fossile Beds National Monument, Nebr. p. D263
21. MANPOWER DEVELOPMENT AND TRAINING. Conferees were appointed by both Houses on S. 974, to amend and extend the Manpower Development and Training Act of 1962. pp. 6638, 6786-8
22. FARM PROGRAM. Rep. Purcell commended the administration farm bill, particularly the wheat provisions, stating that the voluntary certificate wheat program has been favorably accepted by the farmers, reduced costs and the wheat surplus, and has maintained the income of wheat farmers at a fair level. p. 6676
Rep. Findley criticized the farm bill, particularly the feed grain provisions, stating that the "Secretary could easily get soybeans into the same surplus trouble which has beset corn, wheat, and other major crops for years." p. 6644
23. USER CHARGES; SOIL CONSERVATION. Received a N. Mex. Legislature resolution opposing the proposed user charge on SCS technical service to farmers and ranchers. p. 6679

24. ELECTRIFICATION. Rep. Andrews inserted an editorial urging the Rural Electrification Administration to make a loan for the construction of an electric generating plant in Oliver Co., N. Dak. p. 6647
25. HOUSING AND URBAN DEVELOPMENT. Rep. Widnall compared the provisions of the administration's housing and urban development bill, H. R. 5840, with those of the Republican bill, H. R. 9501. pp. 6645-7
26. PRINTING; INFORMATION. Rep. Berry contended that Government printing plants are competing with private industry and inserted a listing of Federal printing facilities, including one in the Forest Service. p. 6643
27. MINERALS. Received from the President a semi-annual report of the Office of Minerals Exploration, Department of the Interior. p. 6581

ITEMS IN APPENDIX

28. TOBACCO. Extension of remarks of Sen. Cooper inserting the text of a speech he made several years ago, "The Tobacco Program: Why It is Needed--How It is Working." pp. A1625-30
29. FARM LABOR. Extension of remarks of Rep. Talcott criticizing a newspaper editorial, "Goodby to Braceros," and inserting a copy of his reply to the editor mentioning some of the "misleading statements" of the editorial. pp. A1630-1
Extension of remarks of Rep. Gubser inserting and commending an article "concerning the effort of southern Santa Clara County farmers to improve working conditions in order to attract domestic migratory workers" as a replacement for braceros. A1648
30. EDUCATION. Speeches in the House by Reps. Sickles and Gurney during debate on the proposed Elementary and Secondary Education Act of 1965. pp. A1631-2, A1633-4.
31. CONSERVATION. Extension of remarks of Rep. Hansen, Ida., inserting an editorial stating that "Congress should carefully scrutinize the Budget Bureau's recommended reduction...in the appropriations for the...Soil Conservation Service." pp. A1634-5
32. MANPOWER. Speech in the House by Rep. Springer during debate on the proposed Manpower Act of 1965. pp. 1635-6
33. POVERTY. Rep. Griffiths inserted a newspaper article on the poverty program, stating that a new definition of poverty will be announced by OEO based on the cost of living and that "it is expected to raise the poverty line for nonfarm families to \$3,120 and lower it to \$1,850 for farm families." p. A1643
34. WATER. Extension of remarks of Rep. Bolton inserting and commending an article critical of the proposal to build dams above and below the Grand Canyon. p. 1644-5
35. EMPLOYMENT. Rep. Cohelan inserted his recent speech suggesting ways for promoting fair and equal employment opportunities. pp. A1614-5
36. CONSUMERS. Rep. Laird inserted a recent speech by Rep. May expressing concern over proposed legislation affecting consumers, "A Woman Legislator's View on Consumer Protection." pp. A1653-4

terior is authorized to construct and maintain therein such markers, buildings, and other improvements, and such facilities for the care and accommodation of visitors, as he may deem necessary.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

With the following committee amendments:

On page 1, lines 3 through 9, strike out all of section 1 and insert the following in lieu thereof:

"That the Secretary of the Interior may designate, acquire and administer as a national monument lands and interests in the lands comprising the Alibates Flint Quarries and the Texas Panhandle Pueblo Culture sites, together with any structures and improvements thereon, located in and around Potter County, Texas."

On page 2, lines 5 and 6, strike out "The National Park Service, under the direction of the Secretary of the Interior," and insert "The Secretary of the Interior".

On page 2, lines 21, 22, and 23, strike out all of section 3 and insert the following in lieu thereof:

"SEC. 3. There is hereby authorized to be appropriated a sum not to exceed \$5,000 for the acquisition of land and such other sums as may be necessary to carry out the provisions of this Act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAKE MEREDITH, TEX.

The Clerk called House Joint Resolution 95, to designate the lake to be formed by the waters impounded by Sanford Dam, Canadian River project, Texas, as "Lake Meredith".

There being no objection, the Clerk read the House joint resolution, as follows:

H.J. RES. 95

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the lake to be formed by the waters impounded by Sanford Dam, Canadian River project, Texas, shall hereafter be known as "Lake Meredith" in honor of A. A. Meredith. Any law, regulation, document, or record of the United States in which such lake is designated or referred to shall be held to refer to such lake as "Lake Meredith".

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed and a motion to reconsider was laid on the table.

MINERAL RESOURCES OF CERTAIN PUBLIC LANDS IN NATIONAL FORESTS IN THE STATE OF COLORADO

The Clerk called the bill (H.R. 398) to permit the discovery, location, development, and utilization of the mineral resources of certain public lands in national forests in the State of Colorado, and for other purposes.

Mr. JOHNSON of Pennsylvania. Mr. Speaker, reserving the right to object, I would like to interrogate the gentleman from Colorado.

This is a relatively small portion of land you are seeking to grant mining rights to. What is the idea of picking out this 7,000 acres to grant locator rights to others?

Mr. ASPINALL. It is not a question of the amount of land; it is a question of the way the reservation is withdrawn on the part of the Federal Government. This land belongs to the people of the United States and is under the jurisdiction of the Forest Service. As long as it has been under the jurisdiction of the Forest Service it has been subject to use for mining and associated uses that have been permitted under the law of 1872 and similar acts. The lands were, in fact, withdrawn the second time for the purpose of recreational features and, having been withdrawn the second time for the purpose of recreation, this has in effect made impossible some of the uses that are permitted under the act creating the Forest Service areas.

So, what we are doing here is reestablishing by congressional statement our policy of multiple use of lands wherever possible. These lands would remain under the control of the Department of Agriculture. Under the proposed legislation they cannot be used for mining purposes unless the Secretary certifies that mining purposes are not adverse to the use for recreational purposes.

These are small areas of 40 to 160 and 320 acres scattered here and there throughout Colorado. This is a new attempt to continue the multiple-use theory that means so much to us, and which theory came into our recent policymaking authority in Congress under the advice and at the suggestion of the Department of Agriculture and the Forest Service.

Mr. JOHNSON of Pennsylvania. Are these 7,000 acres a contiguous piece of property?

Mr. ASPINALL. Oh, no. These 7,178 acres are scattered areas throughout the forest areas of the State of Colorado, areas which have been withdrawn to take care of the recreational needs of the people; but they are scattered at places where there are some mineral values, and if mining activities do not interfere with the recreation uses the additional use will be permitted.

Mr. JOHNSON of Pennsylvania. I take it from the bill the person who finds these minerals can retain them and keep them, and the Government will give them a fee simple title, but retains title to the surface?

Mr. ASPINALL. Yes. If there are any minerals, minerals that are of commercial value, and the values can be developed, then whatever rights the discoverer and the developer—the claimant—has will be only to the mineral deposits themselves, and not to the surface.

Mr. JOHNSON of Pennsylvania. Will the U.S. Government receive any royalty from the finding of these minerals?

Mr. ASPINALL. No. None of the minerals that are developed under the law of 1872 bear royalties as do the minerals that are discovered and developed under the act of 1920, the Mineral Leasing Act. If there are any minerals, of

course, the person who develops them will be subject to the income tax laws of the United States of America.

Mr. JOHNSON of Pennsylvania. Do you have anybody in mind who will go in and make these explorations, or will it be on an advertising basis or a bid basis? What basis is used in choosing these people?

Mr. ASPINALL. After gold, silver, and other minerals were discovered all over the Western States they were developed by those pioneers and enterprises who made their discoveries, filed their claims and prosecuted the development of the same. Under provisions of the 1872 act they were allowed to go to patent. The authority permitted is a general authority to any citizen who seeks to give his time to this particular activity of securing needed minerals and metals.

Mr. JOHNSON of Pennsylvania. Mr. Speaker, I withdraw my reservation of the right to object.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

H.R. 398

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the national forest lands in the Gunnison, Rio Grande, San Juan, and White River National Forests in the State of Colorado, aggregating seven thousand one hundred and seventy-eight acres, more or less, described in application for withdrawal, serial number Colorado 0123127, published in the Federal Register, July 21, 1964 (29 F.R. 9806), required for administrative and recreation sites, roadside zones, and experimental uses shall hereafter be subject to location and entry under the mining laws of the United States subject to the provisions of this Act.

SEC. 2. Mining locations hereafter made on the lands referred to in section 1 shall confer upon the locator the right to explore, develop, utilize, enter, and patent the mineral resources thereof. Any disturbance or use of the surface or surface resources thereon by or on behalf of the prospector or claimant shall be made only with the permission of the Secretary of Agriculture and subject to such terms and conditions as he may deem necessary for the adequate protection and utilization of the surface of the lands for the purposes for which such lands are withdrawn.

SEC. 3. Any patent issued under the United States mining laws to the lands subject to location and entry under the provisions of this Act shall convey title to the mineral deposits within the claim, but shall reserve to the United States all title in and to the surface of the lands and the surface resources. Any disturbance or use by or on behalf of the patentee, his successors or assigns, of the surface or surface resources thereof shall be made only with the permission of the Secretary of Agriculture and subject to such terms and conditions as he shall deem necessary for the adequate protection and utilization of the surface of the lands for the purposes for which such lands are withdrawn.

SEC. 4. Nothing in this Act shall be construed to limit or restrict rights of the owner or owners of any existing valid mining claim.

With the following committee amendment:

On page 2, line 17, after "claim" insert "to the extent provided by the United States mining laws".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INFORMATION RELATING TO SECOND-CLASS MAIL PUBLICATIONS

The Clerk called the bill (H.R. 459) to provide for more uniform application of section 4369 of title 39, United States Code, which pertains to filing of information relating to second-class mail publications.

There being no objection, the Clerk read the bill, as follows:

H.R. 459

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4369 (a) of title 39, United States Code, is amended by striking out "Provided, however, That trade publications serving the performing arts need only to furnish such information to the Postmaster General".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN PROPERTY TO THE COUNTY OF DARE, STATE OF NORTH CAROLINA

The Clerk called the bill (H.R. 2176) to authorize the Secretary of the Interior to convey certain property to the county of Dare, State of North Carolina, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HALL. Mr. Speaker, I reserve the right to object in order to ask one question of the gentleman from Colorado, the chairman of the Committee on Interior and Insular Affairs.

Since this bill does provide for an exact description or what is known as a surveyor's description of the property to be acquired by the county, should the county be required to pay the cost of any such surveys made as well as the reasonable expense incurred therein?

Mr. ASPINALL. What is involved here is of such small value and the administrative expenses of making the transfer are so limited, I do not believe the bill should carry the clause which my friend and I would usually put into this kind of legislation. If this land is not used for the purpose for which it is transferred to the county, then title will revert to the United States. This area happens to be outside the national park area and is not needed for the purpose for which it was originally acquired by the National Park Service. It is a piece of land that has no particular value to the Park Service except for the value of the land itself, which land area, as I understand, was given to the United States in the beginning.

We are not entirely divesting ourselves of the title. We are keeping the title where it will come back to the United States if the area is not used for the purposes intended by the Legislature—and those purposes, of course, are mak-

ing available health services, not only for the residents of the local community, but, the thousands of visitors to the national park facility.

Mr. HALL. I thank the chairman. I understand the reclaimer clause and what it will save for the Government on the original gift to the Government; but as it is now written, do I understand the Government will pay for the survey and not the county?

Mr. ASPINALL. I would think in this instance the Government will pay for the survey and take care of the administrative expenses. However, in my opinion, this is a rather small contribution by the Government when considered in the light of the health services to be provided by the hospital for those people visiting the Government's own facility. I think the equities are fair in this matter.

Mr. HALL. Mr. Speaker, in view of the chairman's explanation, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized, to convey the tract of land and improvements thereon situate in the village of Hatteras, Dare County, North Carolina, and administered as a part of the Cape Hatteras National Seashore, formerly bearing General Services Administration excess property control number C-NC-444, comprising one and five-tenths acres, the exact description for which shall be determined by the Secretary, to the Board of Commissioners of Dare County, for purposes of providing thereon a public health facilities: Provided, That title to the land and any improvements shall revert to the United States upon a finding and notification to the grantee by the Secretary that the property is used for purposes other than a public health facility. The conveyance herein authorized shall be without monetary consideration.

SEC. 2. Upon the transfer of title to the grantee, the property herein conveyed shall cease to be a part of the Cape Hatteras National Seashore.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FACILITATING THE WORK OF THE DEPARTMENT OF AGRICULTURE

The Clerk called the bill (H.R. 5508) to facilitate the work of the Department of Agriculture, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. JOHNSON of Pennsylvania. Mr. Speaker, reserving the right to object, I would like to interrogate the gentleman from North Carolina [Mr. COOLEY], the chairman of the committee, or any other spokesman with respect to this bill.

Mr. COOLEY. I would like for the gentleman from Pennsylvania to yield to the gentleman from Missouri [Mr. JONES] who conducted the hearings on this bill.

Mr. JOHNSON of Pennsylvania. I thank the gentleman. I will yield to the gentleman from Missouri. I want to

ask a few questions about this bill. It is an omnibus bill and there are quite a number of features to it.

First, I want to ask the gentleman a question about extending the research in colleges and experimental stations, and so forth, by the Department of Agriculture.

In the extension of this research into applied research, who will receive the fruits from the research? Supposing some very fine discoveries are made—will they be the property of the U.S. Government or private enterprise or of the university doing the research? What protection will be given to the Government with respect to this extension of research activities?

Mr. JONES of Missouri. In the hearings that were conducted 2 years ago that question was brought up. We were assured that anything of value would be retained by the U.S. Government.

Mr. JOHNSON of Pennsylvania. Was an agreement made by the Secretary of Agriculture or a provision made in the agreement for the protection of the Government in case of a discovery?

Mr. JONES of Missouri. That was our assurance at the time the hearings were held.

Mr. JOHNSON of Pennsylvania. I have another question with respect to the circumventing of the civil service when you want to hire employees of the Department who, let us say, return from abroad. Has this question of circumventing the civil service in this manner been referred to the House Committee on the Post Office and Civil Service?

Mr. JONES of Missouri. No; I do not think it was. But that is in a very limited way. I do not know whether I understand which one of these things the gentleman is referring to. Is the gentleman talking about the agricultural attachés who return to this country and go to work for the Department of Agriculture? Of course, they are employed by the Department of Agriculture to start with and all we are trying to do here is to facilitate the work of the Department. As the gentleman may know, these agricultural attachés after 4 years of service abroad are usually brought back to the United States so that they may have the benefit of any developments here in this country and to work where they may do the most good and become more familiar with conditions here before they go back. At the time the bill first came up, there was some question about this that the gentleman from Iowa [Mr. Gross] had. At that time we worked with the gentleman from Iowa and accepted language which he had drafted. This is limited to 15 employees at any one time. I do not think the gentleman need to have any fears about that particular operation. We have tried to meet every criticism or suggestion that was made.

Mr. JOHNSON of Pennsylvania. But if this bill becomes law, the truth is that you will be able to hire these returning attachés without reference to the civil service?

Mr. JONES of Missouri. No; that is not exactly correct. I think the gentleman has unintentionally, I am sure, ex-

aggerated what would actually occur. These people are employees of the Department of Agriculture. They have been employed in the foreign agricultural service as attachés. They come back to this country and are assigned to other duties within the Department compatible with the training and education that they have.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Pennsylvania. I yield to the gentleman from Iowa.

Mr. GROSS. What this amounts to is authorization to rotate agricultural attachés back to this country and they can hold a job anywhere in the Department of Agriculture. They may be grade 15 and hold a grade 9 job. This for a period of 3 years. My quarrel with this at first was to the unlimited nature of the bill. The pending bill limits the number to 15 at any one time who can be rotated back and be placed in this status.

I say to my friend from Pennsylvania that these are not new employees. They are not being newly hired. They retain their status.

I regret that they are given a 3-year period, because I believe that if grade 16, a grade 15, or a grade 14 is rotated back from Foreign Service—and I believe that they should be brought back to rub elbows with the people in this country once in awhile—he could be located in a slot commensurate with his grade level and job description in much less time than 3 years.

I am not going to quarrel about this, but I believe proper assignments could be made in a year or less.

I do wonder what happened to the bill passed last year. Did the other body refuse to accept it?

Mr. JONES of Missouri. The gentleman will recall that the bill passed late last year, at the tail end of the session. I believe that was the only thing involved.

I wish to say to the gentleman, with regard to these people being sent back here, if there were not an opening in that particular grade, I believe we should encourage trying to utilize these people where they are needed, even if it is necessary to put them into jobs which ordinarily would be assigned to lower grades.

As a practical application, I believe these gentlemen who come back—I am fairly familiar with the duties performed—are given jobs which utilize to the fullest extent the experience they have gained in the other foreign countries. In all instances I know of they have. I have not seen any occasion of any abuse.

This was discussed quite at length in the hearings. I certainly wish to relieve the gentleman of any apprehension he might have that the Department would take advantage of such a provision.

Mr. GROSS. I would only say, in reply to the gentleman, that in the matter of rotation of military personnel we limited them much more severely in the Department of Defense than they are to

be limited in the Department of Agriculture.

I join with the gentleman in the hope that there will not be serious abuse of the 3-year provision. I reiterate the belief that the proper assignments can be made in much less than 3 years, if Agriculture Department officials are disposed to do so.

Mr. JONES of Missouri. If the gentleman will yield further, as a member of the Subcommittee on the Foreign Agricultural Service, I can say we will certainly keep that in mind and try to see that these people are utilized to the best advantage.

Mr. JOHNSON of Pennsylvania. If I may continue, I have one more series of questions.

I now turn to the phase of the bill which repeals a provision relating to shipment of grain from public grain warehouses to other warehouses without cancellation of warehouse receipts.

We realize, as Members of Congress, that the law on warehousing is a vast subject.

If we repeal this particular section of the Agricultural Adjustment Act, will it make it easier in the future for another Billie Sol Estes scandal or another salad oil scandal, like we are experiencing in New York? Should we at this time be letting the bars down on the regulation of warehousing receipts, in view of the frightening scandals which have occurred in the past 3 or 4 years?

Mr. JONES of Missouri. I can assure the gentleman that at the time the hearings were held we went into that thoroughly. The minority side was represented by the gentleman from Indiana [Mr. HARVEY], the gentleman from Kansas [Mr. DOLE], and at that time the gentleman from Nebraska, Mr. Beermann.

I know that the State laws do cover all those things. We feel there are sufficient safeguards and that those things would not happen.

The instances referred to were discussed. We were assured to our satisfaction that there was no danger of similar incidents as a result of this proposed legislation.

Mr. JOHNSON of Pennsylvania. I should like to read two sentences from the report on the bill. It is stated, on page 10:

The Department is also of the opinion that the most effective means of attaining additional protection lies in strengthening the warehousing statutes, regulations, and policing activities of the States, and the Federal Government where a need for additional protection is found.

Does the committee plan any additional warehousing tightening laws, in view of the scandals of the past 2 or 3 years, to prevent such an incident from occurring in the future?

Mr. JONES of Missouri. We have requested the Department to give us the benefit of any suggestions they would have on that. However, I do not think that they have come up with any definite suggestions at this time. I would anticipate, though, in the event of this bill being passed here today and its eventu-

ally becoming law, I believe that would be the appropriate time to make those changes in the law.

Mr. JOHNSON of Pennsylvania. Then, you are assuring this House today that if this particular section doing away with the surrendering of the outstanding warehouse receipts is passed, it will not weaken our warehousing law if we repeal that particular section?

Mr. JONES of Missouri. I do not think it would. I think it was the unanimous opinion of the subcommittee which held hearings on this that they felt there were sufficient safeguards in the State laws and other regulations.

Mr. GROSS. Mr. Speaker, further reserving the right to object, I have one or two questions I would like to ask the gentleman from Missouri.

This bill authorizes the Department of Agriculture to purchase insurance coverage on its vehicles in foreign countries. Does the U.S. Government require foreign countries to carry insurance on their vehicles in this country?

Mr. JONES of Missouri. I am sorry. I could not answer that question.

Mr. GROSS. It seems to me if foreign countries are going to require the U.S. Government or its employees to buy insurance in a foreign country in order to operate a U.S. vehicle, then we ought to require foreign governments to buy insurance on their vehicles in this country.

Mr. JONES of Missouri. If the gentleman will yield, my comment on this would be that the provisions of this bill are intended to try to relieve and protect American employees in other countries. We have had instances where the individual employee of this country serving in foreign countries has actually bought insurance and paid the premiums for it out of his own pocket. That is the purpose of this bill. I do not think this committee would have had the opportunity even to consider a bill requiring foreign countries to buy insurance here.

Mr. GROSS. No. But I thought perhaps you asked the question, when you had hearings on this bill, as to whether foreign governments are required on a reciprocal basis to buy insurance in this country.

Mr. JONES of Missouri. I may say to the gentleman that may be a good idea, but I do not think it is anything our committee can do anything about.

Mr. GROSS. But we are going to buy insurance in foreign countries.

Mr. JONES of Missouri. We are buying that insurance for the protection of our own employees. That is what we are buying that protection for, I will say to the gentleman.

Mr. GROSS. Of course. In the case cited in the report, in that foreign country, the U.S. Government could not operate a motor vehicle without insurance. Is that not true?

Mr. JONES of Missouri. No. I think it is as it is in this country. We can probably operate it, but if we had an accident and did not have insurance, then, there would be a personal liability on the operator of that vehicle. He would be the person who would suffer as a result thereof. The intention of this

committee, when we went into the hearings on this subject, was to try to protect our employees there. We do not feel they should be paying for it.

Mr. GROSS. No. The report says that the employee had to bear the insurance cost on two federally owned trucks.

Mr. JONES of Missouri. Yes.

Mr. GROSS. Since the report says, the trucks were essential to our work and could not be operated without insurance.

Mr. JONES of Missouri. That is probably true. I think it is true. However, the employee had to buy the insurance because there was no authority for the Federal Government to buy that insurance.

Mr. GROSS. And because it was a requirement of the foreign government that the trucks be insured.

Mr. JONES of Missouri. I think that is right.

Mr. GROSS. All right. Then, let us have some reciprocity in this matter and at least in the foreign countries that operate motor vehicles in this country, let us require them to carry insurance. That is the point I am making.

Mr. JONES of Missouri. I think the gentleman will have to admit that we would have to go to some other committee for that legislation.

Mr. GROSS. I agree with the gentleman. Let me ask the gentleman another question, and I shall be brief about this. There is authority in the bill to construct facilities and structures. What is meant by "structures"? Could that be a peanut research laboratory—what is covered by "structures?"

Mr. JONES of Missouri. I think that would be limited by the appropriations, surely. In the hearings it was brought out that many of these buildings are the Butler type buildings, more or less temporary.

Mr. GROSS. Let me interrupt the gentleman. Section 1 apparently rules out CCC storage facilities, so I assume this blanket authority to the Department of Agriculture to erect structures would not apply to Butler grain bins?

Mr. JONES of Missouri. I did not say Butler grain bins. There are other types of Butler buildings than grain bins, which may be used for small facilities, buildings that can be moved after the use of the particular facility is over.

Mr. GROSS. Since broad authority is delegated for the building of structures on Government-held land, the next question is, does the Department have to come back to Congress for authority to erect the structures or may they go ahead without further consultation with Congress and put up a research laboratory or any kind of a structure they want to put up—perhaps an apartment house, I do not know?

Mr. JONES of Missouri. No. This was brought out in the hearings that were held. During the hearings the gentleman from Kansas [Mr. DOLE] asked:

Now, as to the buildings that are contemplated under this section, would those include such things as experiment stations—

would that be within the purview of this section?

Dr. IRVING. Experiment stations, in the sense that they would be research facilities for use by the Department of Agriculture; yes, sir. They would be laboratories, greenhouses, animal yards, storage facilities, et cetera.

Mr. DOLE. If you erect the building it could be used for any number of things, could it not?

Mr. GRANT. It could also be a building used in connection with the inspection and quarantine activities of the Agricultural Research Service.

But it is not contemplated—and I think if you read the hearings you will find that the type of the buildings would not be of what I would call a substantial nature or involving a substantial amount of money.

The chairman of the Committee on Agriculture advises me that if it were over \$10,000 then they would have to come back to the Congress.

Mr. GROSS. I thank the gentleman. (Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of existing law, except the Commodity Credit Corporation Charter Act and without regard to section 355, Revised Statutes, as amended (40 U.S.C. 255), but within the limitations of cost otherwise applicable, appropriations of the Department of Agriculture may be expended for the erection of buildings and other structures on land owned by States, counties, municipalities, or other political subdivisions, corporations, or individual: *Provided*, That prior to such erection there is obtained the right to use the land for the estimated life of or need for the structure, including the right to remove any such structure within a reasonable time after the termination of the right to use the land: *Provided further*, That appropriations and funds available to the Department of Agriculture shall be available for expenses in connection with acquiring the right to use land for such purposes under long-term lease or other agreement.

SEC. 2. The Secretary of Agriculture is authorized to make grants, for periods not to exceed five years' duration, to State agricultural experiment stations, colleges universities, and other research institutions and organizations and to Federal and private organizations and individuals for research to further the programs of the Department of Agriculture. Each recipient of assistance under this section shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grants, the total cost of the project or undertaking in connection with which such funds are given or used, and the amount of that portion of the costs of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit. The Secretary of Agriculture and the Comptroller General of the United States or any other of their duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients

that are pertinent to the grants received under this section.

SEC. 3. The Secretary of Agriculture is authorized to obtain insurance to cover the liability of any employee of the Department of Agriculture for damage to or loss of property or personal injury or death caused by the act or omission of any such employee while acting within the scope of his office or employment and while operating a motor vehicle belonging to the United States in a foreign country.

SEC. 4. Section 602 of the Agricultural Act of 1954 (68 Stat. 908) is amended by adding at the end thereof the following:

"(e) Any officer or employee appointed and assigned to a post abroad pursuant to this title may, in the discretion of the Secretary of Agriculture, be assigned for duty in the continental United States, without regard to the civil service laws (and without reduction in grade if an appropriate position at the employee's grade is not available in any agency of the Department of Agriculture), for a period of not more than three years: *Provided*, That the total number of such employees assigned for duty in the continental United States under this provision shall not exceed fifteen at any one time: *Provided further*, That this Act shall not increase the number of persons employed at grade GS-16, GS-17, or GS-18."

SEC. 5. Section 104(a) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), is further amended by inserting, after the word "*Provided*," the following: "That the Secretary of Agriculture may release such amounts of the foreign currencies so set aside as he determines not to be needed, within a reasonable period of time, for such purpose: *Provided further*."

SEC. 6. Section 4 of the Act of August 2, 1956 (ch. 878, 70 Stat. 934; 7 U.S.C. 1884), is hereby amended—

(1) by striking the word "insurance" and substituting the word "benefits";

(2) by inserting after "Federal Employees' Group Life Insurance Act of 1954" the words "and the Federal Employees Health Benefits Act of 1959," and

(3) by inserting after "employees' life insurance fund" the words "or the employees' health benefits fund, as the case may be,"

SEC. 7. Section 1 of the Act of July 12, 1943 (5 U.S.C. 542-1), is hereby amended by striking out the word "reimbursed" and inserting in lieu thereof the words "credited with advances or reimbursements" and inserting after the word "*Provided*," the following: "That such advances shall not be available for any period beyond that provided by the Act appropriating the funds: *Provided further*."

SEC. 8. Subject to limitations applicable with respect to each appropriation concerned, each appropriation available to the Department of Agriculture may be charged, at any time during a fiscal year, for the benefit of any other appropriation available to the Department, for the purpose of financing the procurement of materials and services, or financing activities or other costs, for which funds are available both in the financing appropriation so charged and in the appropriation so benefited; except that such expenses so financed shall be charged on a final basis, as of a date not later than the close of such fiscal year, to the appropriations so benefited, with appropriate credit to the financing appropriation.

SEC. 9. Section 8f of the Agricultural Adjustment Act of 1933, as amended (7 U.S.C. 608f), is hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

89TH CONGRESS
1ST SESSION

H. R. 5508

IN THE SENATE OF THE UNITED STATES

APRIL 7, 1965

Read twice and referred to the Committee on Agriculture and Forestry

AN ACT

To facilitate the work of the Department of Agriculture, and for
other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, notwithstanding the provisions of existing law, except
4 the Commodity Credit Corporation Charter Act and without
5 regard to section 355, Revised Statutes, as amended (40
6 U.S.C. 255), but within the limitations of cost otherwise
7 applicable, appropriations of the Department of Agriculture
8 may be expended for the erection of buildings and other
9 structures on land owned by States, counties, municipalities,
10 or other political subdivisions, corporations, or individuals:
11 *Provided*, That prior to such erection there is obtained the

1 right to use the land for the estimated life of or need for the
2 structure, including the right to remove any such structure
3 within a reasonable time after the termination of the right to
4 use the land: *Provided further*, That appropriations and
5 funds available to the Department of Agriculture shall be
6 available for expenses in connection with acquiring the right
7 to use land for such purposes under long-term lease or other
8 agreement.

9 SEC. 2. The Secretary of Agriculture is authorized to
10 make grants, for periods not to exceed five years' duration,
11 to State agricultural experiment stations, colleges, univer-
12 sities, and other research institutions and organizations and
13 to Federal and private organizations and individuals for re-
14 search to further the programs of the Department of Agri-
15 culture. Each recipient of assistance under this section shall
16 keep such records as the Secretary shall prescribe, including
17 records which fully disclose the amount and disposition by
18 such recipient of the proceeds of such grants, the total cost of
19 the project or undertaking in connection with which such
20 funds are given or used, and the amount of that portion of
21 the costs of the project or undertaking supplied by other
22 sources, and such other records as will facilitate an effective
23 audit. The Secretary of Agriculture and the Comptroller
24 General of the United States or any of their duly authorized
25 representatives shall have access for the purpose of audit and

1 examination to any books, documents, papers, and records of
2 the recipients that are pertinent to the grants received under
3 this section.

4 SEC. 3. The Secretary of Agriculture is authorized to
5 obtain insurance to cover the liability of any employee of the
6 Department of Agriculture for damage to or loss of property
7 or personal injury or death caused by the act or omission
8 of any such employee while acting within the scope of his
9 office or employment and while operating a motor vehicle
10 belonging to the United States in a foreign country.

11 SEC. 4. Section 602 of the Agricultural Act of 1954 (68
12 Stat. 908) is amended by adding at the end thereof the
13 following:

14 “(e) Any officer or employee appointed and
15 assigned to a post abroad pursuant to this title may, in
16 the discretion of the Secretary of Agriculture, be assigned
17 for duty in the continental United States, without regard
18 to the civil service laws (and without reduction in grade
19 if an appropriate position at the employee’s grade is not
20 available in any agency of the Department of Agri-
21 culture), for a period of not more than three years:
22 *Provided*, That the total number of such employees
23 assigned for duty in the continental United States under
24 this provision shall not exceed fifteen at any one time:
25 *Provided further*, That this Act shall not increase the

1 number of persons employed at grade GS-16, GS-17,
2 or GS-18.”

3 SEC. 5. Section 104 (a) of the Agricultural Trade Devel-
4 opment and Assistance Act of 1954, as amended (7 U.S.C.
5 1704), is further amended by inserting, after the word
6 “*Provided*,” the following: “That the Secretary of Agri-
7 culture may release such amounts of the foreign currencies
8 so set aside as he determines not to be needed, within a
9 reasonable period of time, for such purpose: *Provided*
10 further,”.

11 SEC. 6. Section 4 of the Act of August 2, 1956 (ch.
12 878, 70 Stat. 934; 7 U.S.C. 1884), is hereby amended—

13 (1) by striking the word “insurance” and substi-
14 tuting the word “benefits”;

15 (2) by inserting after “Federal Employees’ Group
16 Life Insurance Act of 1954” the words “and the Fed-
17 eral Employees Health Benefits Act of 1959,”; and

18 (3) by inserting after “employees’ life insurance
19 fund” the words “or the employees’ health benefits
20 fund, as the case may be,”.

21 SEC. 7. Section 1 of the Act of July 12, 1943 (5 U.S.C.
22 542-1), is hereby amended by striking out the word “re-
23 imbursed” and inserting in lieu thereof the words “credited
24 with advances or reimbursements” and inserting after the
25 word “*Provided*,” the following: “That such advances shall

1 not be available for any period beyond that provided by the
2 Act appropriating the funds: *Provided further*,”.

3 SEC. 8. Subject to limitations applicable with respect to
4 each appropriation concerned, each appropriation available
5 to the Department of Agriculture may be charged, at any
6 time during a fiscal year, for the benefit of any other appro-
7 priation available to the Department, for the purpose of
8 financing the procurement of materials and services, or
9 financing activities or other costs, for which funds are avail-
10 able both in the financing appropriation so charged and in
11 the appropriation so benefited; except that such expenses so
12 financed shall be charged on a final basis, as of a date not
13 later than the close of such fiscal year, to the appropriations
14 so benefited, with appropriate credit to the financing
15 appropriation.

16 SEC. 9. Section 8f of the Agricultural Adjustment Act
17 of 1933, as amended (7 U.S.C. 608f), is hereby repealed.

Passed the House of Representatives April 5, 1965.

Attest:

RALPH R. ROBERTS,

Clerk.

89TH CONGRESS
1ST SESSION

H. R. 5508

AN ACT

To facilitate the work of the Department of
Agriculture, and for other purposes.

APRIL 7, 1965

Read twice and referred to the Committee on
Agriculture and Forestry

DIGEST of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued July 22, 1965
For actions of July 21, 1965
89th-1st; No. 132

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HIGHLIGHTS: Senate committee voted to report following bills: rural water facilities; diversion payments on acreage affected by disaster; implementation of
Continued page 4

HOUSE

1. **POVERTY.** Continued debate on H. R. 8283, to expand the war on poverty and enhance the effectiveness of programs under the Economic Opportunity Act of 1964 (pp. 16947-96). Agreed to an amendment by Rep. Reid to provide public access to information relating to community action programs (pp. 16991-2).
2. **LEGISLATIVE APPROPRIATION BILL.** Both Houses agreed to the conference report on this bill, H. R. 8775. This bill will now be sent to the President. pp. 16945-7, 17136-9
3. **DISASTER RELIEF.** The Banking and Currency Committee reported without amendment S. 408, to authorize a study of methods of helping to provide financial assistance to victims of future flood disasters (H. Rept. 632). p. 17052

4. LANDS. The Interior and Insular Affairs Committee voted to report (but did not actually report) H. R. 6646, with amendment, to amend the Recreation and Public Purposes Act pertaining to the leasing of public lands to States and political subdivisions, and H. R. 5984, with amendment, to amend Secs. 2275 and 2276 of the Revised Statutes with respect to certain lands granted to the States.
p. D682
5. HEALTH. At the request of Rep. Mills, consent was granted to the managers on the part of the House to file a conference report on H. R. 6675, the medicare bill, by midnight Mon., July 26. Rep. Mills inserted a summary of the major decisions of the conference committee. pp. 16941-4
6. EDUCATION. The Rules Committee reported a resolution for consideration of H. R. 8310, the Educational Rehabilitation Act Amendments of 1965. pp. 16944-5
7. POTATOES. Rep. Monagan called the recent rise in the price of potatoes "a national scandal," and stated that it "clearly indicates the need for careful scrutiny of the program of the potato producers." pp. 17037-8
8. CORN; FOREIGN AID. Rep. Halpern stated that a GAO report reveals "that almost half of the 186,000 tons of corn given by the United States to the United Arab Republic, in 1961, ostensibly for distribution to the needy, was sold by Nasser's government," and called on the President to "suspend any portion of the \$37.5 million remaining under the agricultural assistance program to Egypt."
p. 17043
9. FOOD STAMPS. Rep. Conyers commended this Departments food stamp program as providing better diets for the people who participate and bringing economic benefits to entire communities. pp. 17050-1
10. POULTRY. Rep. Walker, Miss., inserted his statement critical of "the attitude taken by the USDA and the ARA toward putting Federal money into a poultry complex to the tune of \$2,720,000 in Newcastle, Pa., when the poultry industry in the Nation is in such a depressed condition." pp. 17043-4

SENATE

11. AGRICULTURE AND FORESTRY COMMITTEE voted to report (but did not actually report):
With amendment S. 1766, to authorize the Secretary of Agriculture to make loans to public agencies and nonprofit corporations for the development of water systems serving rural areas, and S. 7, to provide for the establishment of the Spruce Knob-Seneca Rocks National Recreation Area, W. Va. and without amendment H. R. 5508, the Department's administrative omnibus bill H. R. 8620, to take into consideration floods and other natural disasters in reference to the feed grains, cotton, and wheat programs for 1965; S. 1270, to extend for 2 years the exemption of green peanuts from marketing quotas; S. 1271, to extend for 2 years provisions of the Agricultural Adjustment Act permitting the lease of tobacco acreage allotments; and S. 2294, to extend for 1 additional year the International Wheat Agreement Act of 1949. p. D679
12. WATERSHEDS. The Agriculture and Forestry Committee approved plans for works of improvement on the following watershed projects: Cottonwood Creek, Nebr.; Lakin, Kans.; Mills Creek, Fla.; Mitchell Swamp-Pleasant Meadow Branch, S. C.; Standing Pine Creek, Miss.; Turkey Creek, Iowa; and Willis River, Va. p. D679

July 22, 1962

SENATE

10. AGRICULTURE AND FORESTRY COMMITTEE reported: With amendments S. 1766, to authorize the Secretary of Agriculture to make loans to public agencies and nonprofit corporations for the development of water systems serving rural areas (S. Rept. 500); with amendments S. 7, to provide for the establishment of the Spruce Knob-Seneca Rocks Recreation Area, W. Va. (S. Rept. 507); with amendment S. 1271, to extend for 2 years provisions of the Agricultural Adjustment Act permitting the lease of tobacco acreage allotments (S. Rept. 503); without amendment S. 1270, to extend for 2 years the exemption of green peanuts from marketing quotas (S. Rept. 504); without amendment S. 2294, to extend for 1 additional year the International Wheat Agreement Act of 1949 (S. Rept. 505); without amendment H. R. 8620, to take into consideration floods and other natural disasters in reference to the feed grains, cotton, and wheat programs for 1965 (S. Rept. 502); ~~without amendment H. R. 5508, the Department's administrative omnibus bill~~ (S. Rept. 506). p. 17223
11. DISASTER RELIEF. Passed as reported S. 1861, the proposed Disaster Relief Act of 1965 (pp. 17204-17). As passed the bill makes the following provisions: Authorizes the Secretary of Agriculture to readjust the schedules for payment of principal and interest on REA loans to borrowers suffering property damage in disaster areas, and to extend the maturity dates of such loans up to forty years from the dates of such loans. Authorizes Farmers Home Administration emergency loans up to \$30,000, if such loan is for the repair, rehabilitation, or replacement of property damaged or destroyed as the result of a major disaster, without regard to whether the Secretary of Agriculture finds that the required financial assistance can be met by private, cooperative, or other responsible sources. Authorizes the Secretary of Agriculture to make grants to farmers whose farmlands or livestock have been damaged as the result of a major disaster; such grants shall not exceed two-thirds of the cost, or \$10,000 to any farmer. Authorizes the Secretary of Agriculture to make or insure loans to associations for the acquisition, construction, improvement, or extension of waste disposal systems and other public facilities providing for community services in rural areas damaged by a disaster; the Secretary is also authorized to make construction grants not to exceed 50 per centum of the cost of waste disposal systems, water systems, and other public facilities providing for community services in these areas. Authorizes to be appropriated such sums as may be necessary to repair, restore, or reconstruct any project completed or under construction for flood control, irrigation, reclamation, public power, sewage treatment, water treatment, or watershed development which has been damaged as the result of a major disaster.
12. LANDS. Passed without amendment S. 1190, to provide that certain limitations shall not apply to certain land patented to the State of Alaska for the use and benefit of the Univ. of Alaska. p. 17172
Passed as reported S. 1413, to provide for the termination of Federal supervision over the property of the Confederated Tribes of Colville Indians located in Wash. State and the individual members thereof. pp. 17167-71
13. RECLAMATION. Passed without amendment H. R. 237, to reauthorize the initial stage of the Garrison diversion unit, Missouri River Basin project. S. 34, a similar bill, was indefinitely postponed. H. R. 237 will now be sent to the President. pp. 17218-22

14. REGULATORY PRACTICES. Received from GAO a report on "need to strengthen regulatory practices and study certain trading activities relating to commodity futures markets, Commodity Exchange Authority." p. 17223
15. FARM PROGRAM. Sen. Thurmond inserted several articles claiming that "political coercion" is being employed on Members of Congress who represent States which have farming interests. pp. 17244-5

ITEMS IN APPENDIX

16. FARM LABOR. Rep. Talcott inserted an article, "Braceros Formed A Free Peace Corps", critical of the farm labor program. p. A3967
17. PURCHASING. Rep. Gubser inserted an article criticizing procurement practices, and stating a change in the "attitude of many Government agencies towards commercial products is long overdue." p. A3968
18. NATURAL RESOURCES. Extension of remarks of Rep. Dingell discussing Labor's interest in conservation and inserting Walter Reuther's address, "Enhancing Our Living Environment." pp. A3971-3
19. BALANCE OF PAYMENTS. Rep. Multer inserted Treasury Secretary Fowler's address concerning "recent attempts to secure improvements in international monetary arrangements, and the related importance of maintaining a stable dollar to insure world liquidity." pp. A3985-8
20. WHEAT; BREAD TAX. Rep. Greigg inserted an article which denounces the false issue of "bread tax" in reference to the farm program. p. A3988
21. RECLAMATION; WILDERNESS. Extension of remarks of Rep. Hansen/^(Idaho)stating that "much has been said for wilderness areas and wild rivers programs....."; and overlooking the "wonderful job done by our Bureau of Reclamation and other water resource agencies over the years." p. A3989
22. FARM PROGRAM; PLATFORM. Extension of remarks of Rep. Brock commending and inserting the text of the Young Republican's national platform, including a section on agriculture. pp. A3991-2
23. WEIGHTS AND MEASURES. Extension of remarks of Rep. Hansen/^(Idaho)favoring adoption of the metric system of weights and measures and inserting an editorial on this subject. pp. A3993-4
24. POTATOES. Extension of remarks of Rep. Hansen, Idaho, emphasizing that "Idaho will play second fiddle to no one" in the production of potatoes and inserting several items commenting on alleged "derogatory" statements by Arthur Godfrey about Idaho potatoes. pp. A3997-8
25. WOOL; COTTON. Extension of remarks of Rep. Cooley commending this Department's development of cotton and wool materials with new convenience properties. p. A4007
26. ECONOMICS. Extension of remarks of Rep. Multer inserting an article and stating that it discusses the differences between the current economic situation and that of 1929, and points out why there will not be another economic disaster such as occurred that year. p. A4014

FACILITATING THE WORK OF THE DEPARTMENT OF
AGRICULTURE

JULY 22, 1965.—Ordered to be printed

Mr. JORDAN of North Carolina, from the Committee on Agriculture and Forestry, submitted the following

R E P O R T

[To accompany H.R. 5508]

The Committee on Agriculture and Forestry, to whom was referred the bill (H.R. 5508) to facilitate the work of the Department of Agriculture, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

The purpose of this bill is to make several relatively minor changes in the laws relating to the administration of the Department of Agriculture. Each section of the bill deals with a separate administrative action and each section is explained in detail in the summary and justification accompanying the executive communication, which appears later in this report.

SHORT EXPLANATION

This bill, which was requested by the Department of Agriculture, makes a number of changes in laws relating to the administration of that Department. It would—

(1) Authorize the Department to erect structures on land not owned by the Government, if it has the right to use the land for the estimated life of, or need for, the structures and the right to remove the structures thereafter; and authorize the Department to lease land for such purposes;

(2) Authorize grants for research to State agricultural experiment stations and others to implement the programs of the Department (thereby expanding the existing authority for basic research grants and extending it to applied research; existing authority, Public Law 85-934, is restricted to grants to nonprofit

institutions of higher learning or where primary purpose is research);

(3) Authorize the Department to purchase insurance coverage on its vehicles in foreign countries (thereby extending authority now applicable to the Foreign Agricultural Service, and providing protection for the employees operating such vehicles);

(4) Authorize assignment of agricultural attachés and related personnel for duty in the continental United States, without regard to the civil service laws and without reduction in grade for not more than 3 years;

(5) Authorize the Secretary of Agriculture to release for other purposes funds set aside for agricultural market development under section 104(a) of Public Law 480, where 5 percent of the proceeds is larger than the amount needed for the market development program;

(6) Permit employees of the Department, while temporarily involved in a transfer to a State activity under the act of August 2, 1956 (70 Stat. 934), to preserve their health benefits in the same manner as benefits under the Civil Service Retirement Act and the Group Life Insurance Act are retained;

(7) Permit advances to the Department's working capital fund by agencies of the Department for whom central services are furnished through use of the fund;

(8) Authorize the Department of Agriculture to make appropriate adjustments between funds available to any agency of the Department where more than one fund is available for the same purpose; and

(9) Repeal a provision prohibiting, except in specified cases, the shipment of grain from public grain warehouses to other warehouse without cancellation of warehouse receipts (to avoid conflict with other laws regulating warehousemen).

DEPARTMENTAL VIEWS

The bill, S. 1507, identical to H.R. 5508, was transmitted to the President of the Senate by executive communication requesting its enactment and accompanying it was a detailed explanation of each section of the bill. Following is the executive communication from the Secretary of Agriculture and a section-by-section explanation of the bill.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., March 4, 1965.

HON. HUBERT H. HUMPHREY,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed for the consideration of the Congress is a proposed bill to facilitate the work of the Department of Agriculture, and for other purposes.

This Department recommends enactment of the proposed bill.

The draft bill is identical to H.R. 7155 (88th Cong.), which was passed by the House of Representatives on November 18, 1963, except (a) the authority to designate an agricultural attaché as "agricultural counselor" under appropriate circumstances has been omitted from the revised bill, (b) specific authority for the transfer of

equipment to the working capital fund in furnishing approved central services has been omitted, and (c) a specific provision has been added to make clear that advances to the working capital fund would not extend the availability of funds.

The draft bill, as now proposed, would provide authority which we believe is needed to more efficiently and effectively administer the Department's programs. The several sections of the proposed legislation are independent, and each would provide specific authority which would facilitate the administration of the work of the Department. The draft bill would—

(1) Authorize the Department to erect research facilities or other structures on land, the use of which is secured for the estimated life of, or need for, the structures; and authorize the use of funds available to the Department for expenses in connection with acquiring the right to use land for such purposes. ✓

(2) Authorize grants for research to State agricultural experiment stations and others to implement the programs of this Department.

(3) Authorize this Department to purchase insurance coverage on its vehicles in foreign countries.

(4) Authorize assignment of agricultural attachés and related personnel for duty in the continental United States, without regard to the civil service laws (and without change in grade where an appropriate position is not available), for not more than 3 years.

(5) Authorize the Secretary of Agriculture to release Public Law 480 funds for other purposes in cases where 5 percent of the proceeds is larger than the amount needed for the market development program.

(6) Permit employees of this Department, while temporarily involved in a transfer to a State activity under the act of August 2, 1956 (70 Stat. 934), to preserve their health benefits in the same manner as benefits under the Civil Service Retirement Act and the Group Life Insurance Act are retained.

(7) Amend the present legislation providing for the working capital fund of the Department so as to specifically provide for advances to the fund by agencies of the Department for whom central services are furnished through use of the fund.

(8) Authorize appropriate adjustments between funds available to any agency of the Department.

(9) Repeal a provision relating to shipment of grain from public grain warehouses to other warehouses without cancellation of warehouse receipts.

Attached to the draft bill are statements explaining the purpose of each of the sections of the proposed legislation.

A similar letter is being sent to the Speaker of the House.

The Bureau of the Budget advises that there is no objection to the presentation of this proposed legislation from the standpoint of the administration's program.

Sincerely yours,

CHARLES S. MURPHY,
Acting Secretary.

SUMMARY AND JUSTIFICATION OF PROVISIONS OF DRAFT BILL

Section 1. Authorize the Department to erect research facilities or other structures (but not CCC storage facilities) on land, the use of which is secured for the estimated life of, or need for, the structures; and authorize the use of funds available to the Department for expenses in connection with acquiring the right to use land for such purposes

States, land-grant colleges and universities, counties, cities, corporations, and private individuals are often willing to allow the Department to erect, maintain, and operate research facilities, and other structures on land owned by them for such period as the land may be needed. In many cases they are, however, unwilling or unable for legal or other reasons to sell or donate the land to the Federal Government. In other cases the Congress has authorized the construction of research facilities on land to be donated, and considerable delay has been experienced in completing the necessary legal arrangements for transfer of title to the Federal Government, impairing the orderly progress of urgent research activities. Under existing legal restrictions the Department is prohibited from erecting permanent facilities on land not owned by the United States, except where specifically authorized.

The proposed legislation would provide authority to the Department of Agriculture to erect structures on land, the use of which is secured for the estimated life of, or need for, the structures. It is expected that such leases would usually be obtained at a nominal cost to the United States. A structure erected under this authority would be subject to any cost limitation fixed by the Congress in appropriation or other acts. Leases would be required to provide for the Government's right to remove the structure within a reasonable time after the termination of the lease.

This authority would be similar to the authority provided to the Forest Service by Public Law 478, 81st Congress, approved April 24, 1950 (16 U.S.C. 571c). In view of the successful experience of the Forest Service in operating under this authorization, it is proposed to extend similar authority to other agencies of the Department.

This authority would probably be used largely for the construction of research facilities. It could also be used to provide facilities for quarantine, grading, insect control, inspection, and other work from time to time.

In addition, the last proviso would authorize the use of appropriations and other funds available to the Department at the time of entering into the use arrangement for expenses in connection with acquiring the right to use land for the entire period. Under present requirements the Department cannot enter into satisfactory long-term leases or other arrangements for acquiring right to use land for programs financed by annual appropriations, since it has been held that annual appropriations, may only be charged with the proportionate share of the cost applicable to the year the appropriation is available.

The authorization would exclude storage facilities under the Commodity Credit Corporation Charter Act, and would not in any manner override the proviso in section 4(h) of the CCC Charter Act prohibiting the CCC from acquiring real property, or any interest therein to provide storage facilities for any commodity unless the CCC determines that existing privately owned storage facilities in the area are not adequate.

Section 2. Authorize grants for research to State agricultural experiment stations and others to implement the programs of this Department

The Department has had authority for a number of years to make contracts and agreements authorized under the Research and Marketing Act of 1946 (Public Law 733, 79th Cong.) and Public Law 545, 83d Congress for commercialization, market acceptance, and economic feasibility of industrial utilization of agricultural products and processes and for other research activities of the Department. Public Law 85-934 provides authority to make grants only for basic research. It would be extremely helpful if broader authority were available so that the Department could make grants for applied as well as basic research, for limited periods, to State agricultural experiment stations, colleges, universities, and other research institutions and organizations and to Federal and private organizations, and individuals to further the research programs of the Department. Grants could be spread over a period of not to exceed 5 years, but would be made from appropriations current at the time the agreements are entered into. It is not intended that such grants would be used for the modification, extension, or other improvement of the grantee's facilities.

It is difficult to make a fine distinction where basic research ends and applied research begins. This could lead to legal interpretations and result in complications in making grants. Also, following basic research grants to certain institutions or individuals, research leads may develop which would require followthrough for certain phases of applied research consequent to the basic research results. For example, research on hybrid corn started with basic research by Shull of Princeton and Jones of the Connecticut Agricultural Experiment Station, who discovered the fact of heterosis, but intimately associated applied research on yield increases due to heterosis has resulted in an increase of corn yields of 15 or 20 percent in the United States. If the authority is restricted to basic research, it would not be possible to follow up such leads under the basic research grants.

The science departments of the land-grant and other colleges and universities have experienced research people—professors and research assistants—that are capable of making substantial contributions to our research programs. Many are outstanding experts in their respective fields and could bring to bear upon the various phases of the Department's research activities unique experience and techniques. The Department's program would benefit materially by

having opportunity to avail itself through grants of this pool of talent.

Recipients of grants would be required to keep adequate records, and the Secretary of Agriculture and the Comptroller General of the United States would be given the clear right of access to such records for audit purposes.

Section 3. Authorize this Department to purchase insurance coverage on its vehicles in foreign countries

Such authority already exists regarding the Foreign Agricultural Service. The bill would extend the same authority to other agencies of the Department with employees overseas. The Department has more than 100 additional vehicles abroad, under programs administered by constituent agencies other than the Foreign Agricultural Service, most of which are trucks operating in Mexico in connection with research or control measures relating to plant pests. Other countries in which cars or trucks of this Department are located are Brazil, England, France, Italy, Iran, Kenya, Morocco, and the Netherlands.¹

In many foreign countries situations exist which necessitate carrying insurance on federally owned vehicles. In some cases these result from requirements of law of a country; in others, from legal procedures which result in extreme difficulty to drivers and passengers even when apparently free of actual responsibility in the circumstances of an accident. Since the provisions of the Federal Tort Claims Act are not applicable to claims arising in foreign countries (28 U.S.C. 2680(k)), employees would be forced to bear the full impact of judgment in accident cases arising out of the performance of official duties.

Some employees carry insurance related to operation of Government-owned vehicles and bear the cost out of their own pockets. For example, an employee in Morocco had to bear the insurance cost on two federally owned trucks since they were essential to our work and could not be operated without it.

Section 4 (amendment of sec. 602 of the Agricultural Act of 1954 (68 Stat. 908)). Authorize assignment of agricultural attachés and related personnel for duty in the continental United States, without regard to the civil service laws (and without change in grade, where an appropriate position at the employees' grade is not available) for not more than 3 years, not exceeding 15 employees at any one time

Under the present rotation system, it is the policy to assign employees to one or more tours of duty in the United States following periods of continuous service of over 4 years overseas. Under this program the service is strengthened both in Washington and in the field. Persons with field experience will be more valuable in positions in the United States, and persons in attaché positions will be better informed and more effective because of experience gained in dealing, on a day-to-day basis, with U.S. problems in the Department.

Problems sometimes arise in matching the grades of attachés with the grades of existing vacancies in the Department. Authorization for detail would enable the Department to make the best use of its personnel and would avoid delay or other difficulty in utilizing to the fullest the experience of agricultural attachés. Such authority is essential in operating a system of rotation of employees between agricultural attaché and similar positions at overseas posts and positions in the continental United States. Similar authority is available to the Department of State under section 961 of the Foreign Service Act.

Section 5 (amendment of sec. 104(a) of the Agricultural Trade Development Act of 1954 (7 U.S.C. 1704)). Authorize the Secretary of Agriculture to release Public Law 480 funds for other purposes in cases where 5 percent of the proceeds is larger than the amount needed for the market development program

Foreign currencies requested to be set aside for the agricultural market development program under section 104(a) of Public Law 480 amount to about \$260 million. Of this amount, 38 percent is in seven excess currency countries of Burma, India, Israel, Pakistan, Poland, United Arab Republic (Egypt), and Yugoslavia. Nearly 13 percent is in India alone.

In addition a set-aside of \$50 to \$75 million equivalent is expected from 5 percent of agreements signed each year. The percentage set aside may vary by countries but has to equal at least 5 percent of the total proceeds. The amount available for U.S. uses in nonexcess currency countries does not make it possible to substantially increase the set-aside in those countries to reduce materially the set-aside in the excess currency countries.

There are some nonexcess currency countries where 5 percent of the proceeds is larger than the amount needed for the market development program. The balance not needed by Agriculture could, with enabling legislation, be released for other U.S. uses. This cannot be done at the present time without increasing the set-aside in other countries which in most cases would have to be excess currency countries. It is not considered desirable to retain large amounts of currencies set aside for U.S. Department of Agriculture market development when prospects for their use in a reasonable period of years are extremely limited.

The proposed legislation is needed to authorize the Secretary of Agriculture to release currencies not required by the Department over the period of years as determined by the Secretary.

Section 6 (amendment of sec. 4 of the act of Aug. 2, 1956). Permit employees of this Department, while temporarily involved in a transfer to a State activity under the act of August 2, 1956 (70 Stat. 934), to preserve their health benefits in the same manner as benefits under the Civil Service Retirement Act and the Group Life Insurance Act are retained

The Department is now authorized, under the provisions of Public Law 918, 84th Congress, approved August 2, 1956 (70 Stat. 934), to interchange employees with States for a period of not to exceed 2 years. This law was enacted so the Federal Government and the several States might better cooperate in problems arising as a result of the interrelationships of their work in the field of agriculture.

Department employees who transfer to a State position under this legislation are considered to be in a status of leave of absence from their positions in the Department and are carried on leave without pay. During such status of leave of absence, the law permits the employee to retain coverage under the Civil Service Retirement Act and the Federal Employees Group Life Insurance Act of 1954, so long as he continues to make payments into the retirement fund and the life insurance fund in the proper amounts.

Due to the wording of the Federal Employees Health Benefits Act of 1959, employees who are on leave without pay may not receive health benefits coverage beyond 1 year. Thus it is possible that Department employees who are involved in a transfer to a State activity under Public Law 918 may be without coverage under the Health Benefits Act for as much as a year under a 2-year interchange. The proposed legislation would permit the employees to preserve their health benefits coverage in the same manner as benefits under the Civil Service Retirement Act and the Group Life Insurance Act are retained.

Approval of the proposal by the Congress would facilitate the Department's efforts in providing for cooperation between the Department and the States in research and regulatory activities. Employees will accept assignments more readily in State activities if their health benefits coverage is not jeopardized.

Section 7 (amendment of sec. 1 of the act of July 12, 1943 (5 U.S.C. 542-1)). Amend the present legislation providing for the working capital fund of the Department so as to specifically authorize advances to the fund by agencies of the Department for whom central services are furnished through use of the fund

The Agricultural Appropriation Act of 1944 appropriated a working capital fund of \$400,000, without fiscal-year limitation, for the payment of salaries and other expenses necessary to the maintenance and operation of various central administrative services for the agencies of the Department. This fund has made unnecessary the maintenance of separate like services in the agencies and has contributed to more economical and efficient management of the Department.

The present law provides that the working capital fund shall be *reimbursed* from appropriations made to the agencies of the Department. The fund is used for the purchase of materials, supplies, and equipment, and the payment of salaries, wages, and other necessary operating expenses in carrying out the central services, pending receipt of reimbursements.

Since 1944 additional services have been provided through the use of the fund. Also, there have been substantial increases in salaries and wages and in prices for materials and equipment. Therefore, it has become difficult to finance these services from the \$400,000 appropriated capital pending reimbursement. Additional central services may be placed under the fund in the future.

Authority for the agencies to advance funds for paying operating costs for services ordered by them would enable the Department to provide other services which may be initiated in the future, without an increase in the appropriation for the working capital. Advances would be made only on the basis of firm orders placed with the fund for specific services within the same fiscal year, and such advances would be applied in accordance with the principles set forth in section 1210 of the act of September 6, 1950 (31 U.S.C. 686-1).

Section 8. Authorize the Department of Agriculture to make appropriate adjustments between funds available to any agency of the Department

Several Department of Agriculture agencies administer programs financed from appropriations and funds which must be charged with administrative and operating costs. Programs financed from different funds often involve activities carried out under integrated plans of work inevitably resulting in expenditures from one fund benefiting other funds.

These include (1) work camps providing eating facilities which occasionally furnish meals to employees financed from funds other than the financing fund, (2) specialized and technical services performed by personnel of one organizational unit to a unit financed from other funds, and (3) administrative costs where the exact charge to benefiting funds cannot be determined at the time payment is made. Soil testing and cartographic services are performed for the benefit of five or more funds of an agency.

In activities of this nature, benefiting several appropriations and funds, charges on individual payment vouchers cannot be practically allocated at the time each payment is made. The most practicable way to accurately charge benefiting funds with the cost of work of the type described is to record initially in one amount the total expenses and charge each fund periodically with the proper cost.

Appropriation and fund adjustment for joint costs cannot be made without specific legislative authority where the financing and the benefiting funds are administered by the

same Department of Agriculture agency, regardless of the number of funds available for program financing. Authority for the Department of Agriculture to finance materials and services from one fund of an agency and later during the same fiscal year charge benefiting funds of the same agency with the correct costs would permit improved recordkeeping and cost accounting practices. Materials and services financed under this authority would be those properly chargeable to both the financing and benefiting funds.

Where materials or services are furnished by one agency for the benefit of another Department of Agriculture or Federal agency the cost can be transferred by accounting adjustments under several authorities available to the Department of Agriculture. Section 601 of the Economy Act (31 U.S.C. 686) provides general authority to support reimbursement procedures for costs financed by other Government agencies.

Additional authorities for similar procedures are provided in such statutes, as 7 U.S.C. 1387 for reproductions of aerial or other photographs, mosaics, and maps; 16 U.S.C. 590q-1 for furnishing supplies, materials, and equipment; and 5 U.S.C. 571 for inspections, analyses, and tests of food and other products.

The proposed legislation would enable the Department of Agriculture to use accounting practices for expense financing and adjustment related to intra-agency services that is comparable with reimbursements between appropriations of different agencies. The authority would be used only where services and materials can be more efficiently and economically supplied through the adjustment practices. The proposed legislation makes clear that such adjustments would continue to be subject to any limitation applicable with respect to the appropriations concerned.

This authority would be similar to the authority provided to the Census Bureau by Public Law 87-489, approved June 19, 1962 (13 U.S.C. 14).

Section 9 (repeal of sec. 8f of the Agricultural Adjustment Act of 1933 (7 U.S.C. 608f)). Repeal a provision relating to shipment of grain from public grain warehouses to other warehouses without cancellation of warehouse receipts

Section 8f of the Agricultural Adjustment Act of 1933 (7 U.S.C. 608f), as originally enacted, made it unlawful, subject to a penalty of fine and imprisonment, for public warehousemen storing basic commodities to deliver such commodities from their warehouses without surrender of the outstanding warehouse receipt.

In 1940, the section was amended to permit the shipment of grain from public country grain warehouses to other warehouses without taking up and canceling warehouse receipts for such grain. This practice was to be regulated with a view to protecting the owners of the grain "under such regulations as the Secretary of Agriculture might prescribe." The prohibition in the original section was retained with respect to all other warehouses.

For a number of reasons the regulations which would be required to administer the provisions of this section have not been prescribed.

The subject matter covered by section 8f is subject matter fully covered by the uniform warehouse receipts act in the several States; by various State warehousing statutes and regulations with respect to public warehouses licensed under such statutes; by the United States Warehouse Act with respect to public warehouses licensed under that act; and by storage contracts which almost all public warehouses have entered into the Commodity Credit Corporation. Further proliferation of regulations dealing with the same subject matter appears unnecessary, especially if such additional regulations agree in part and disagree in part with regulations already governing the subject matter.

The laudable purpose of section 8f and the regulations which might be issued pursuant thereto was to achieve a further measure of protection to depositors in public warehouses. The Department feels, however, that existing machinery for regulating and policing such warehouses is much stronger than it was in 1933 or 1940. Protection has therefore been improved. The Department is also of the opinion that the most effective means of attaining additional protection lies in strengthening the warehousing statutes, regulations, and policing activities of the States and the Federal Government where a need for additional protection is found, rather than attempting new regulations and administrative machinery under the Agricultural Adjustment Act.

The Department is reluctant to incur the expense of promulgating regulations and the administrative costs of enforcing them in a field already quite fully occupied under other State and Federal authority.

For these reasons, and to avoid the confusion of contradictory treatment of the same subject matter under various statutes, we recommend that section 8f be repealed.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

AGRICULTURAL ACT OF 1954

* * * * *

TITLE VI—AGRICULTURAL ATTACHÉS

* * * * *

SEC. 602. (a) To effectuate the carrying out of the purposes of this title, the Secretary of Agriculture is authorized to appoint such personnel as he determines to be necessary and, with the concurrence of the Secretary of State, to assign such personnel to service abroad,

and the Secretary of Agriculture may place not to exceed eight positions in grade 16 and two in grade 17 of the General Schedule of the Classification Act of 1949, as amended, in accordance with the standards and procedures of that Act and such positions shall be in addition to the number authorized in section 505 of that Act.

(b) Officers or employees assigned or appointed to a post abroad pursuant to this title shall have the designation of Agricultural Attaché, or other titles or designations, which shall be jointly agreed to by the Secretary of State and the Secretary of Agriculture.

(c) Upon the request of the Secretary of Agriculture, the Secretary of State shall regularly and officially attach the officers or employees of the United States Department of Agriculture to the diplomatic mission of the United States in the country in which such officers or employees are to be assigned by the Secretary of Agriculture, and shall obtain for them diplomatic privileges and immunities equivalent to those enjoyed by Foreign Service personnel of comparable rank and salary.

(d) The President shall prescribe regulations to insure that the official activities of persons assigned abroad under this title are carried on (1) consonant with United States foreign policy objectives as defined by the Secretary of State; (2) in accordance with instructions of the Secretary of Agriculture with respect to agricultural matters; and (3) in coordination with other representatives of the United States Government in each country, under the leadership of the Chief of the United States Diplomatic Mission.

(e) Any officer or employee appointed and assigned to a post abroad pursuant to this title may, in the discretion of the Secretary of Agriculture, be assigned for duty in the continental United States, without regard to the civil service laws (and without reduction in grade if an appropriate position at the employee's grade is not available in any agency of the Department of Agriculture), for a period of not more than three years: Provided, That the total number of such employees assigned for duty in the continental United States under this provision shall not exceed fifteen at any one time: Provided further, That this Act shall not increase the number of persons employed at grade GS-16, GS-17, or GS-18.

AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

* * * * *

SEC. 104. Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, the President may use or enter into agreements with friendly nations or organizations of nations to use the foreign currencies, including principal and interest from loan repayments, which accrue under this title for one or more of the following purposes:

(a) To help develop new markets for United States agricultural commodities on a mutually benefiting basis. From sale proceeds and loan repayments under this title not less than the equivalent of 5 per centum of the total sales made each year under this title after the date of this amendment shall be set aside in the amounts and kinds of foreign currencies specified by the Secretary of Agriculture and made available in advance for use as provided by this subsection over such period of years as the Secretary of Agriculture determines will most effectively carry out the purpose of this subsection: *Provided,*

That the Secretary of Agriculture may release such amounts of the foreign currencies so set aside as he determines not to be needed, within a reasonable period of time, for such purpose: Provided further, That no such funds shall be allocated under this subsection after June 30, 1960, except as may be specified, from time to time, in appropriation acts. Provision shall be made in sale and loan agreements for the convertibility of such amount of the proceeds thereof (not less than 2 per centum) as the Secretary of Agriculture determines to be needed to carry out the purpose of this subsection in those countries which are or offer reasonable potential of becoming dollar markets for United States agricultural commodities. Such sums shall be converted into the types and kinds of foreign currencies as the Secretary deems necessary to carry out the provisions of this subsection and such sums shall be deposited to a special Treasury account and shall not be made available or expended except for carrying out the provisions of this subsection. Notwithstanding any other provision of law, if sufficient foreign currencies for carrying out the purpose of this subsection in such countries are not otherwise available, the Secretary of Agriculture is authorized and directed to enter into agreements with such countries for the sale of surplus agricultural commodities in such amounts as the Secretary of Agriculture determines to be adequate and for the use of the proceeds to carry out the purpose of this subsection;

ACT OF AUGUST 2, 1956

(70 Stat. 934)

* * * * *

SEC. 4. Employees of the Department participating in an exchange of personnel as authorized in section 3 may be considered during such participation to be (1) on detail to a regular work assignment of the Department, or (2) in a status of leave-of-absence from their positions in the Department. Employees who are considered to be detailed shall be entitled to the same salary and benefits to which they would otherwise be entitled and shall remain employees of the Department for all other purposes except that the supervision of their duties during the period of detail may be governed by agreement between the Department and the State involved. Employees who are in a leave-of-absence status as provided herein shall be carried on leave without pay: *Provided*, That they may be granted annual leave to the extent authorized by law and may be granted authorized sick leave only in circumstances considered by the Secretary to justify approval of such leave. Except as otherwise provided in this Act, such employees shall have the same rights, benefits, and obligations as employees generally who are in such leave status but notwithstanding any other provision of law such employees shall be entitled to credit the period of such assignment (1) toward periodic and longevity step-increases, and (2) upon payment into the retirement fund of the percentage of their State salary which would have been deducted from a like Federal salary for the period of such assignment, to credit such period as service within the meaning of the Civil Service Retirement Act; and they shall also be entitled to continuation of their [insurance] *benefits* under the Federal Employee's Group Life Insurance

Act of 1954 and the Federal Employees Health Benefits Act of 1959, so long as the Department continues to collect the employee's contribution from the employee and to transmit for timely deposit into the employees' life insurance fund or the employees' health benefits fund, as the case may be, the amount of the employee's contribution, and the Government's contribution from Department appropriations. Any employee who participates in an exchange under the terms of this section who suffers disability or death as a result of personal injury arising out of and in the course of an exchange, or sustained in the performance of duties in connection therewith shall be treated, for the purpose of the Federal Employees' Compensation Act, as amended (5 U.S.C., 790), as though he were an employee, as defined in such Act, who had sustained such injury in the performance of such duty, but shall not receive benefits under that Act for any period for which he elects to receive similar benefits from a State agency.

ACT OF JULY 12, 1943

(57 Stat. 392)

* * * * *

WORKING CAPITAL FUND

For the establishment of a working capital fund, \$400,000, without fiscal year limitation, for the payment of salaries and other expenses necessary to the maintenance and operation of (1) central duplicating, photographic, and tabulating services, (2) a central motor-transport service for the maintenance, repair, and operation of motor-transport vehicles and other equipment, (3) a central supply service for the purchase, storage, handling, issuance, packing, or shipping of stationery, supplies, equipment, blank forms, and miscellaneous materials, for which stocks thereof, not to exceed \$200,000 in value (except for the value of blank forms) at the close of any fiscal year, may be maintained sufficient to meet, in whole or in part, requirements of the bureaus and offices of the Department in the city of Washington and elsewhere, and (4) such other services as the Secretary, with the approval of the Director of the Bureau of the Budget, determines may be performed more advantageously as central services; said fund to be [reimbursed] *credited with advancements or reimbursements* from applicable funds of bureaus, and agencies for which services are performed on the basis of rates which shall include estimated or actual charges for personal services, materials, equipment (including maintenance, repairs, and depreciation) and other expenses: *Provided, That such advances shall not be available for any period beyond that provided by the Act appropriating the funds: Provided further, That such central services shall, to the fullest extent practicable, be used to make unnecessary the maintenance of separate like services in the bureaus, offices, and agencies of the Department: Provided further, That a separate schedule of expenditures and reimbursements, and a statement of the current assets and liabilities of the working capital fund as of the close of the last completed fiscal year, shall be included in the annual budget.*

Total, Office of the Secretary, \$1,898,184.

AGRICULTURAL ADJUSTMENT ACT OF 1933

(Section 8f, as amended)

(54 Stat. 1019; 7 U.S.C. 608f)

【Sec. 8f. No person operating a public warehouse for the storage of any basic agricultural commodity in the current of interstate or foreign commerce shall deliver any such commodity upon which a warehouse receipt has been issued and is outstanding without prior surrender and cancelation of such warehouse receipt, except that any person operating a country public grain warehouse or warehouses may, because of lack of sufficient space to accommodate all depositors, move storage grain out of such warehouse or warehouses to another warehouse for continuous storage, under such regulations as the Secretary of Agriculture may prescribe. A non-negotiable warehouse receipt shall be issued by the warehouseman to whom the grain was shipped, and said receiving warehouseman shall give such guaranty and shall store such grain under such regulations as the Secretary of Agriculture may prescribe to assure delivery to the rightful owner of such grain in the amount, and of the kind, quality, and grade called for by his receipts. Any warehouseman who intends to ship grain while his original receipt is outstanding must recite in his receipt both the name and address of his warehouse as well as that of the warehouse to which the grain may be shipped for further storage. All grain shipped under this section must be shipped under a non-negotiable bill of lading. Any person violating any of the provisions of this subsection shall, upon conviction, be punished by a fine of not more than \$5,000, or by imprisonment for not more than two years, or both. This Act shall not be construed as amending or changing in any manner the United States Warehouse Act of August 11, 1916, as amended.】



Calendar No. 489

89TH CONGRESS
1ST SESSION

H. R. 5508

[Report No. 506]

IN THE SENATE OF THE UNITED STATES

APRIL 7, 1965

Read twice and referred to the Committee on Agriculture and Forestry

JULY 22, 1965

Reported by Mr. JORDAN of North Carolina, without amendment

AN ACT

To facilitate the work of the Department of Agriculture, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That, notwithstanding the provisions of existing law, except
4 the Commodity Credit Corporation Charter Act and without
5 regard to section 355, Revised Statutes, as amended (40
6 U.S.C. 255), but within the limitations of cost otherwise
7 applicable, appropriations of the Department of Agriculture
8 may be expended for the erection of buildings and other
9 structures on land owned by States, counties, municipalities,
10 or other political subdivisions, corporations, or individuals:
11 *Provided, That prior to such erection there is obtained the*

1 right to use the land for the estimated life of or need for the
2 structure, including the right to remove any such structure
3 within a reasonable time after the termination of the right to
4 use the land: *Provided further*, That appropriations and
5 funds available to the Department of Agriculture shall be
6 available for expenses in connection with acquiring the right
7 to use land for such purposes under long-term lease or other
8 agreement.

9 SEC. 2. The Secretary of Agriculture is authorized to
10 make grants, for periods not to exceed five years' duration,
11 to State agricultural experiment stations, colleges, univer-
12 sities, and other research institutions and organizations and
13 to Federal and private organizations and individuals for re-
14 search to further the programs of the Department of Agri-
15 culture. Each recipient of assistance under this section shall
16 keep such records as the Secretary shall prescribe, including
17 records which fully disclose the amount and disposition by
18 such recipient of the proceeds of such grants, the total cost of
19 the project or undertaking in connection with which such
20 funds are given or used, and the amount of that portion of
21 the costs of the project or undertaking supplied by other
22 sources, and such other records as will facilitate an effective
23 audit. The Secretary of Agriculture and the Comptroller
24 General of the United States or any of their duly authorized
25 representatives shall have access for the purpose of audit and

1 examination to any books, documents, papers, and records of
2 the recipients that are pertinent to the grants received under
3 this section.

4 SEC. 3. The Secretary of Agriculture is authorized to
5 obtain insurance to cover the liability of any employee of the
6 Department of Agriculture for damage to or loss of property
7 or personal injury or death caused by the act or omission
8 of any such employee while acting within the scope of his
9 office or employment and while operating a motor vehicle
10 belonging to the United States in a foreign country.

11 SEC. 4. Section 602 of the Agricultural Act of 1954 (68
12 Stat. 908) is amended by adding at the end thereof the
13 following:

14 “(e) Any officer or employee appointed and as-
15 signed to a post abroad pursuant to this title may, in
16 the discretion of the Secretary of Agriculture, be as-
17 signed for duty in the continental United States, without
18 regard to the civil service laws (and without reduction in
19 grade if an appropriate position at the employee’s grade
20 is not available in any agency of the Department of Agri-
21 culture), for a period of not more than three years:
22 *Provided*, That the total number of such employees
23 assigned for duty in the continental United States under
24 this provision shall not exceed fifteen at any one time:
25 *Provided further*, That this Act shall not increase the

1 number of persons employed at grade GS-16, GS-17,
2 or GS-18.”

3 SEC. 5. Section 104 (a) of the Agricultural Trade Devel-
4 opment and Assistance Act of 1954, as amended (7 U.S.C.
5 1704), is further amended by inserting, after the word
6 “*Provided*,” the following: “That the Secretary of Agri-
7 culture may release such amounts of the foreign currencies
8 so set aside as he determines not to be needed, within a
9 reasonable period of time, for such purpose: *Provided*,
10 *further*,”.

11 SEC. 6. Section 4 of the Act of August 2, 1956 (ch.
12 878, 70 Stat. 934; 7 U.S.C. 1884), is hereby amended—

13 (1) by striking the word “insurance” and sub-
14 stituting the word “benefits”;

15 (2) by inserting after “Federal Employees’ Group
16 Life Insurance Act of 1954” the words “and the Fed-
17 eral Employees Health Benefits Act of 1959,”; and

18 (3) by inserting after “employees’ life insurance
19 fund” the words “or the employees’ health benefits
20 fund, as the case may be,”.

21 SEC. 7. Section 1 of the Act of July 12, 1943 (5 U.S.C.
22 542-1), is hereby amended by striking out the word “re-
23 imbursed” and inserting in lieu thereof the words “credited
24 with advances or reimbursements” and inserting after the
25 word “*Provided*,” the following: “That such advances shall

1 not be available for any period beyond that provided by the
2 Act appropriating the funds: *Provided further,*”.

3 SEC. 8. Subject to limitations applicable with respect to
4 each appropriation concerned, each appropriation available
5 to the Department of Agriculture may be charged, at any
6 time during a fiscal year, for the benefit of any other appro-
7 priation available to the Department, for the purpose of
8 financing the procurement of materials and services, or
9 financing activities or other costs, for which funds are avail-
10 able both in the financing appropriation so charged and in
11 the appropriation so benefited; except that such expenses so
12 financed shall be charged on a final basis, as of a date not
13 later than the close of such fiscal year, to the appropriations
14 so benefited, with appropriate credit to the financing
15 appropriation.

16 SEC. 9. Section 8f of the Agricultural Adjustment Act
17 of 1933, as amended (7 U.S.C. 608f), is hereby repealed.

Passed the House of Representatives April 5, 1965.

Attest:

RALPH R. ROBERTS,

Clerk.

89TH CONGRESS
1ST SESSION

H. R. 5508

[Report No. 506]

AN ACT

To facilitate the work of the Department of
Agriculture, and for other purposes.

APRIL 7, 1965

Read twice and referred to the Committee on
Agriculture and Forestry

JULY 22, 1965

Reported without amendment

PL R. 5509

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UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C. 20250
OFFICIAL BUSINESS

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(FOR INFORMATION ONLY;
NOT TO BE QUOTED OR CITED)

Issued July 26, 1965
For actions of July 23, 1965
89th-1st; No. 134

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HIGHLIGHTS. Senate passed: Rural water facilities bill. Bill to permit diversion payments on acreage affected by disaster. Extension of International Wheat Agreement. USDA administrative omnibus bill. Spruce Knob-Seneca Rocks recreation area bill. Tobacco allotment lease bill. House received conference report on housing bill. Sen. Williams, Del., criticized cotton provisions of House farm bill.

SENATE

1. LOANS. Passed as reported S. 1766, which includes provisions as follows: Replaces the present \$500,000 limit on direct loans and the \$1 million limit on insured loans by the Farmers Home Administration to associations with a \$4 million limit on loans and grants to any association for soil conservation, changes in land use, water use and control, drainage, and recreation. Authorizes grants of up to \$25 million per fiscal year to associations to finance water facilities serving rural areas. Authorizes grants of up to \$5 million per fiscal year for assistance in preparation of comprehensive plans for development of water systems in rural areas. Increases the limit on FHA-insured real estate loans in any one year from \$200 million to \$450 million. Increases the amount of loans made from the FHA insurance fund which the Secretary can hold at any one time for future sale from \$25 million to \$50 million. pp. 17365-7

2. ADMINISTRATIVE PROVISIONS; OMNIBUS BILL. Passed without amendment H. R. 5508, to facilitate the work of this Department (pp. 17372-3). This bill will now be sent to the President. See Digest 35 for provisions of the bill.
3. DISASTER RELIEF. Passed without amendment H. R. 8620, to permit farmers in disaster areas to comply with the technical requirements of acreage reduction agreements, if floods or other natural disasters prevent them from planting cotton, wheat, and feed grains, and thus to be eligible for the benefits to which they are entitled under such agreements (p. 17371). This bill will now be sent to the President.
4. NATIONAL PARK. Passed without amendment H. R. 903, to enlarge the boundaries of the Kings Canyon National Park, Calif., to include additional lands (p. 17365). This bill will now be sent to the President.
5. TOBACCO. Passed as reported S. 1271, to authorize for two additional years (1966 and 1967 crop years) the transfer, by lease, of tobacco acreage allotments from one farm to another within the same county. pp. 17371-2
6. PEANUTS. Passed without amendment S. 1270, to extend for two additional years (1966 and 1967 crop years) the present exemption of peanuts for boiling from marketing quotas. p. 17372
7. WHEAT. Passed without amendment S. 2294, to extend the operation of the International Wheat Agreement Act until July 31, 1966. p. 17372
8. FORESTRY; RECREATION. Passed as reported S. 7, to authorize the Secretary of Agriculture to establish the Spruce Knob-Seneca Rocks National Recreation Area, W. Va., from lands within and adjacent to the Monongahela National Forest. pp. 17373-6
9. TRANSPORTATION. Passed as reported S. 1588, to authorize the Secretary of Commerce to undertake research and development of high-speed ground transportation. pp. 17363, 17404-9
Sen. Douglas commended the reappointment of Adm. John Harllee as Chairman of the Federal Maritime Commission as reassurance "that the Commission will continue to investigate this complicated question of freight rate differentials and their adverse effects upon American exports." p. 17390
10. COTTON. Sen. Williams, Del., reviewed and criticized the cotton provisions of H. R. 9715, the Cooley cotton bill; pp. 17376-7
11. FOREIGN AID. Sen. Williams, Del., criticized the donation of corn under Public Law 480 to the United Arab Republic as "another glaring waste under our AID program." pp. 17391-2
12. FARM PROGRAM. Sen. Miller expressed his views on the current farm situation and reviewed certain "defects" in the administration farm program. pp. 17392-4
13. INTERNATIONAL COOPERATION. Sens. Clark, Church, Ribicoff, Boggs, Miller, and Pearson were appointed members of the White House Committee on International Cooperation. p. 17383
14. ADJOURNED until Mon., July 26. p. 17411

his new post. The country is fortunate in having his services, and the Nation is the gainer by reason of his assuming his new duties.

Mr. AIKEN. Mr. President, I commend President Johnson upon his appointment of Arthur Goldberg to be U.S. representative to the United Nations. It is an admirable choice. Ambassador Goldberg will be taking this position at a difficult time—a time of crisis for the United Nations, a time of crisis for the United States, and a time of crisis for the whole world. But I am satisfied that with his intelligence, his ability, and his energy, this may be the beginning of a new and better day for the United Nations.

Mr. MANSFIELD. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. MANSFIELD. Mr. President, I wish to join the distinguished Senator from Vermont and the distinguished Senator from Illinois in their statements about the confirmation by the Senate of the nomination by President Johnson of former Supreme Court Justice Goldberg, and to say that I believe a better choice could not have been made.

I would express the hope, however, that Ambassador Goldberg—because that is what he is now—will be allowed a certain degree of discretion in the responsibilities which he will assume, because it is a most difficult position that he will fill. It will call for all his skills—and he has them in abundance. But I have no doubt that he will represent the United States with dedication, vigor, honesty, and integrity. I have no doubt that the other members of the United Nations, regardless of the part of the world from which they come, will look upon Arthur Goldberg with respect and will honor him for the work which he will do.

Mr. AIKEN. The Senator from Montana, the majority leader, has aptly expressed what we all think of Arthur Goldberg. I know that he has two good feet and will stand on them.

Mr. COOPER. Mr. President, I, too, join my colleagues in commendation of the appointment of former Supreme Court Justice Goldberg to be U.S. representative to the United Nations. The country is aware of his fine intellectual qualities, his capacity for work and his ability and patience in negotiations.

But he has other qualities which will make him an effective ambassador and representative of this country. He has an awareness of issues, he has sensitivity, and he has human qualities that are felt and understood in the United Nations.

Long ago, I had the honor to serve with the majority leader in the United Nations. I believe it would be agreed that there is a certain communication between the Chief Executive of the United States, the State Department, and the representative in the United Nations. That is necessary, because the Ambassador must represent the interests and the policy of the United States. But another type of communication also is necessary. The Ambassador must inter-

pret to the Secretary of State and to the President the mood or interest which he has observed and learned as the Representative of our country there.

I believe that the new administrator will be able to do that in a very effective way. I am very glad that he has been named.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT TO AGRICULTURAL ACT OF 1949 AND THE AGRICULTURAL ADJUSTMENT ACT OF 1938 TO TAKE INTO CONSIDERATION FLOODS AND OTHER NATURAL DISASTERS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 485, H.R. 8620.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 8620) to amend the Agricultural Act of 1949 to take into consideration floods and other natural disasters in reference to the feed grains, cotton, and wheat programs for 1965.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 8620) was ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 502), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of this bill is to permit farmers in disaster areas to comply with the technical requirements of acreage reduction agreements, if floods or other natural disasters prevent them from planting the crops involved, and thus to be eligible for the benefits to which they are entitled under such agreements.

NEED FOR LEGISLATION

Provisions of law relating to acreage reduction programs for cotton, wheat, and feed grains, in effect for 1965, provide that when a farmer agrees to reduce his plantings of any of these commodities below his acreage allotment or base acreage, he shall be entitled to certain benefits, including certain payment-in-kind or certificates on the nor-

mal production of the reduced acreage he "planted for harvest" in 1965.

If a farmer plants his permitted acreage for harvest in 1965 under any of these agreements and, after he has planted his acreage, a flood or other natural disaster destroys the crop, he is eligible for the benefits called for under his contract, including the payment-in-kind or certificates for the normal production from his permitted acreage, even though the crop may be totally destroyed and he may harvest nothing from such acreage.

The only effect of this bill is to provide that if the natural disaster occurs before the farmer has planted his crop so that he is prevented from planting at the appropriate time, instead of occurring after the ground has been planted, he will be considered as having planted the crop for purposes of the contract entered into with the Government.

In such cases, the Government will be getting all that it contracted for, and even more, for, instead of reducing his crop the farmers affected by this bill will harvest no crop whatever in that particular commodity for 1965 and will not be permitted to plant on the acreage any other price-supported crop.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. PROXMIRE. Mr. President, there have been rumors that some kind of filibuster is taking place. I want to make it clear that to the extent that an issue is being discussed before the Senate in depth, there is no intention on the part of anyone on our side, that I know of, to delay any legislation. No one associated with us, that I know of, wants to delay any bill, and I stress the word, any, any bill, any time on any subject. We want to expedite, to help, to accelerate the President's program.

If the leadership wishes to call a measure up at any time, we shall be delighted to have the measure considered.

Mr. MANSFIELD. Mr. President, I appreciate the statement of the distinguished Senator from Wisconsin. Any measure that is called up will have the clearance of the joint leadership and will receive the approval of every Senator interested before action is taken.

TWO-YEAR EXTENSION OF PROVISIONS PERMITTING LEASE OF TOBACCO ACREAGE ALLOTMENTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 486, Senate bill 1271.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1271) to amend the Agricultural Readjustment Act of 1938 to extend for 2 additional years the provisions permitting the lease of tobacco acreage allotments.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Agriculture and Forestry with an amendment in line 4, after "(7 U.S.C.",

to strike out "1314(a)" and insert "1314b(a)"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first sentence of section 316(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314b(a)) is amended by changing "and 1965" to read "1965, 1966, and 1967".

(b) The last sentence of section 316(a) of such Act is amended by changing "or 1965" to read "1965, 1966, or 1967".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 503), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of this bill is to authorize, for 2 additional years, the transfer, by lease, of tobacco acreage allotments from one farm to another within the same county. The law does not apply to burley tobacco or cigar filler and cigar binder, types 42, 43, 44, 53, 54, and 55. It is not applicable to Maryland (type 32) tobacco unless at least 75 percent of the allotment for the lessor farm has been planted on that farm during each of the preceding 2 years.

NEED FOR THE LEGISLATION

In many areas, tobacco acreage allotments have become so small that producers holding such allotments frequently, in any particular year, neglect to plant their allotment because it is an uneconomic operation, or for other reasons.

For the crop years 1966 and 1967 only, this bill would authorize the holders or such small allotments to transfer their allotments to another tobacco producer in the same county if they choose to do so.

EXTENSION FOR 2 YEARS THE DEFINITION OF "PEANUTS" WHICH IS NOW IN EFFECT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar order No. 487, Senate bill 1270.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1270) to extend for 2 years the definition of "peanuts" which is now in effect under the Agricultural Adjustment Act of 1938.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last paragraph of the Act entitled "An Act to amend the peanut marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, and for other purposes", approved August 13, 1957 (7 U.S.C. 1359 note), is amended by changing "and 1965" to read "1965, 1966, and 1967".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed

in the RECORD an excerpt from the report (No. 504), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

This bill extends for 2 years the present exemption of peanuts for boiling from marketing quotas. The present exemption, which has been in effect since 1957, would otherwise expire with the 1965 crop.

The report from the Department of Agriculture favoring this legislation is attached.

AMENDMENT OF SECTION 2 OF INTERNATIONAL WHEAT AGREEMENT ACT OF 1949

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 488, Senate bill 2294.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2294) to amend section 2 of the International Wheat Agreement Act of 1949.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2294

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the International Wheat Agreement Act of 1949, as amended, is further amended to change "July 31, 1965" in the first sentence to read "July 31, 1966".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 505), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

This bill would extend the International Wheat Agreement Act of 1949 to cover the 1-year extension of the International Wheat Agreement heretofore approved by the Senate.

The letter of the Department of Agriculture requesting enactment of this bill is attached.

DEPARTMENT OF AGRICULTURE,
Washington, D.C., July 7, 1965.

HON. HUBERT H. HUMPHREY,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith for consideration by the Congress draft legislation which would amend the International Wheat Agreement Act of 1949, as amended, to extend the authority contained in the act to implement the protocol for the extension of the International Wheat Agreement, 1962. Senate gave its advice and consent to the ratification of the protocol on June 15, 1965.

Enactment by the Congress of this proposed legislation is recommended. Under its provisions certain action is authorized which would continue to secure the benefits and discharge the obligations of the United States under the agreement, upon the expected entry into force of the protocol with respect to the operational aspects of the agreement, on August 1, 1965, and during the ensuing 12 months.

The price range and the obligations of exporting or importing member countries as contained in the International Wheat Agreement, 1962, are not altered by the protocol—only the expiration date is extended to July 31, 1966. The agreement covers trade in wheat and wheat-flour between member exporting and importing countries, but only "commercial transactions." As defined in the agreement, this excludes such exports as those pursuant to Public Law 480, bilateral barter, and credit sales if the terms do not conform with terms prevailing commercially.

The International Wheat Agreement Act of 1949, as amended, authorizes the President, acting through the Commodity Credit Corporation, to make available or cause to be made available, such quantities of wheat and wheat-flour and at such prices as are necessary to exercise the rights, obtain the benefits, and fulfill the obligations of the United States and to take certain other action necessary in the implementation of the agreement. Pursuant to this authority the Commodity Credit Corporation has made wheat available by making export payments on wheat and wheat-flour to commercial exporters, and by the sale to commercial exporters of wheat acquired by the Commodity Credit Corporation under its price support program; all in connection with commercial exports to importing countries which are members of the wheat agreement. All transactions are reported to the International Wheat Council for recording.

The International Wheat Agreement Act of 1949, as amended, also authorizes to be appropriated such sums as may be necessary to make payments to the Commodity Credit Corporation of its estimated or actual net costs of carrying out its functions under the act in connection with the International Wheat Agreement, 1962. The draft legislation would have the effect of making this existing provision for the payment of net costs similarly applicable to the period of extension inasmuch as Article I of the protocol continues the International Wheat Agreement, 1962, in force until July 31, 1966.

The President's budget for the fiscal year 1966 assumes that the protocol extension will enter into force, and a proposed appropriation of \$27,544,000 is included for this purpose in the budget. The appropriation requested is \$54,294,000 less than the 1965 appropriations, primarily because the latter includes a supplemental appropriation of \$50 million for prior year costs.

The Bureau of the Budget advises that there is no objection to the presentation of this proposed legislation from the standpoint of the administration's program.

A similar letter is being sent to the Speaker of the House of Representatives.

Sincerely yours,

ORVILLE L. FREEMAN,
Secretary

PROVISION TO FACILITATE THE WORK OF THE DEPARTMENT OF AGRICULTURE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 489, H.R. 5508.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 5508) to facilitate the work of the Department of Agriculture, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 506), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of this bill is to make several relatively minor changes in the laws relating to the administration of the Department of Agriculture. Each section of the bill deals with a separate administrative action and each section is explained in detail in the summary and justification accompanying the executive communication, which appears later in this report.

SHORT EXPLANATION

This bill, which was requested by the Department of Agriculture, makes a number of changes in laws relating to the administration of that Department. It would—

1. Authorize the Department to erect structures on land not owned by the Government if it has the right to use the land for the estimated life of, or need for, the structures and the right to remove the structures thereafter; and authorize the Department to lease lands for such purposes;

2. Authorize grants for research to State agricultural experiment stations and others to implement the programs of the Department (thereby expanding the existing authority for basic research grants and extending it to applied research; existing authority, Public Law 85-934, is restricted to grants to nonprofit institutions of higher learning or where primary purpose is research);

3. Authorize the Department to purchase insurance coverage on its vehicles in foreign countries (thereby extending authority now applicable to the Foreign Agricultural Service, and providing protection for the employees operating such vehicles);

4. Authorize assignment of agricultural attachés and related personnel for duty in the continental United States, without regard to the civil service laws and without reduction in grade for not more than 3 years;

5. Authorize the Secretary of Agriculture to release for other purposes funds set aside for agricultural market development under section 104(a) of Public Law 480, where 5 percent of the proceeds is larger than the amount needed for the market development program;

6. Permit employees of the Department, while temporarily involved in a transfer to a State activity under the act of August 2, 1956 (70 Stat. 934), to preserve their health benefits in the same manner as benefits under the Civil Service Retirement Act and the Group Life Insurance Act are retained;

7. Permit advances to the Department's working capital fund by agencies of the Department for whom central services are furnished through use of the fund;

8. Authorize the Department of Agriculture to make appropriate adjustments between funds available to any agency of the Department where more than one fund is available for the same purpose; and

9. Repeal of a provision prohibiting, except in specified cases, the shipment of grain from public grain warehouses to other warehouse without cancellation of warehouse receipts (to avoid conflict with other laws regulating warehousemen).

SPRUCE KNOB-SENECA ROCKS NATIONAL RECREATIONAL AREA, W. VA.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate

proceed to the consideration of Calendar Order No. 490, Senate bill 7.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 7) to provide for the establishment of the Spruce Knob-Seneca Rocks National Recreation Area in the State of West Virginia, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with amendments on page 2, at the beginning of line 4, to strike out "not to exceed in the aggregate one hundred thousand acres in such unit or units as he may determine, to include but not be limited to Spruce Knob, Smoke Holes, and Seneca Rocks, and lying primarily in the drainage of the south branch of the Potomac River" and in lieu thereof to insert "comprised of the area including Spruce Knob, Smoke Holes, and Seneca Rocks, and lying primarily in the drainage of the South Branch of the Potomac River, the boundaries of which shall be those shown on the map entitled 'Proposed Spruce Knob-Seneca Rocks National Recreation Area', dated March 1965, which is on file and available for public inspection in the office of the Chief, Forest Service, Department of Agriculture"; in line 25, after the word "Act," to insert "For the purpose of section 6 of the Act of September 3, 1964 (78 Stat. 897, 903), the boundaries of the Monongahela National Forest, as designated by the Secretary pursuant to section 2 of this Act, shall be treated as if they were the boundaries of that forest on January 1, 1965"; on page 4, line 17, after word "of," to strike out "renewable"; and after line 20, to insert a new section, as follows:

SEC. 6. The Secretary shall permit hunting and fishing on lands and waters under his jurisdiction within the Spruce Knob-Seneca Rocks National Recreation Area in accordance with applicable Federal and State laws. The Secretary may designate zones where, and establish periods when, no hunting shall be permitted for reasons of public safety, administration, or public use and enjoyment, and shall issue regulations after consultation with the Department of Natural Resources of the State of West Virginia.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to provide for the public outdoor recreation use and enjoyment thereof by the people of the United States, the Secretary of Agriculture shall establish the Spruce Knob-Seneca Rocks National Recreation Area in the State of West Virginia.

SEC. 2. The Secretary of Agriculture (hereinafter called the "Secretary") shall—

(1) designate as soon as practicable after this Act takes effect the Spruce Knob-Seneca Rocks National Recreation Area within and adjacent to, and as a part of, the Monongahela National Forest in West Virginia comprised of the area including Spruce Knob, Smoke Holes, and Seneca Rocks, and lying primarily in the drainage of the South Branch of the Potomac River, the boundaries of which shall be those shown on the map entitled "Proposed Spruce Knob-Seneca Rocks National Recreation Area", dated March 1965, which is on file and available

for public inspection in the office of the Chief, Forest Service, Department of Agriculture; and

(2) publish notice of the designation in the Federal Register, together with a map showing the boundaries of the recreation area.

SEC. 3. (a) The Secretary shall acquire by purchase with donated or appropriated funds, by gift, exchange, condemnation, transfer from any Federal agency, or otherwise, such lands, waters, or interests therein within the boundaries of the recreation area as he determines to be needed or desirable for the purposes of this Act. For the purpose of section 6 of the Act of September 3, 1964 (78 Stat. 897, 903), the boundaries of the Monongahela National Forest, as designated by the Secretary pursuant to section 2 of this Act, shall be treated as if they were the boundaries of that forest on January 1, 1965. Lands, waters, or interests therein owned by the State of West Virginia or any political subdivision of that State may be acquired only with the concurrence of such owner.

(b) Notwithstanding any other provision of law, any Federal property located within the boundaries of the recreation area may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in implementing the purposes of this Act.

(c) In exercising his authority to acquire lands by exchange the Secretary may accept title to non-Federal property within the recreation area and convey to the grantor of such property any federally owned property in the State of West Virginia under his jurisdiction.

SEC. 4. (a) After the Secretary acquires an acreage within the area designated pursuant to paragraph (1) of section 2 of this Act that is in his opinion efficiently administrable to carry out the purposes of this Act, he shall institute an accelerated program of development of facilities for outdoor recreation. Said facilities shall be so devised to take advantage of the topography and geographical location of the lands in relation to the growing recreation needs of the people of the United States.

(b) The Secretary may cooperate with all Federal and State authorities and agencies that have programs which will hasten completion of the recreation area and render services which will aid him in evaluating and effectuating the establishment of adequate summer and winter outdoor recreation facilities.

SEC. 5. The administration, protection, and development of the recreation area shall be by the Secretary of Agriculture in accordance with the laws, rules, and regulations applicable to national forests, in such manner as in his judgment will best provide for (1) public outdoor recreation benefits; (2) conservation of scenic, scientific, historic, and other values contributing to public enjoyment; and (3) such management, utilization, and disposal of natural resources as in his judgment will promote, or is compatible with, and does not significantly impair the purposes for which the recreation area is established.

SEC. 6. The Secretary shall permit hunting and fishing on lands and waters under his jurisdiction within the Spruce Knob-Seneca Rocks National Recreation Area in accordance with applicable Federal and State laws. The Secretary may designate zones where, and establish periods when, no hunting shall be permitted for reasons of public safety, administration, or public use and enjoyment, and shall issue regulations after consultation with the Department of Natural Resources of the State of West Virginia.

Mr. BYRD of West Virginia. Mr. President, I wish to express my gratitude to the distinguished chairman of the

Senate Committee on Agriculture, Senator ELLENDER, and to the ranking minority member of that committee, Senator AIKEN, and to the other members of that committee, for reporting S. 7 on Wednesday. I also wish to express my gratitude to the Senator from Mississippi, Senator EASTLAND, chairman of the subcommittee which handled this bill. Upon several occasions I wrote to these Senators urging favorable consideration of the bill, and I also discussed the measure personally with them from time to time. I also thank the majority leader, with whom I talked yesterday, and the minority leader for their prompt clearance of this bill for floor action.

The advancement of this bill to the voting stage culminates an effort which goes back to March 7, 1963, when I introduced a similar bill, S. 1022, for myself and my esteemed colleague, Senator RANDOLPH, to provide for the establishment of the Spruce Knob-Seneca Rocks National Recreation Area in the State of West Virginia. The bill was not acted upon in the 88th Congress and, consequently, I reintroduced it in behalf of Senator RANDOLPH and myself on January 6, 1965, at the beginning of the 89th Congress. Earlier this year, the senior Senator from Minnesota, Senator McCARTHY, very graciously conducted a hearing on the measure, at which time Senator RANDOLPH and I presented testimony in behalf of the bill. Other supporting testimony was submitted by the Honorable William McCoy, Jr., member of the West Virginia House of Delegates, from Pendleton County; the Honorable George I. Sponaugle, prosecuting attorney of Pendleton County; Mr. Crede Sions, representing the Izaak Walton League of America, Petersburg, W. Va.; and Mr. Robert R. Bowers, West Virginia Department of Commerce, who represented our State's Governor, Hulett C. Smith. Supporting letters and memoranda were presented for inclusion in the hearings record from the Honorable Hans McCourt and the Honorable Carl Gainer, members of the West Virginia Senate. All of the testimony was helpful, and Senator RANDOLPH and I are most grateful to all of these persons for the assistance they gave.

It should also be stated that President Johnson has indicated his strong support for the establishment of the Spruce Knob-Seneca Rocks National Recreation Area in West Virginia.

The proposed recreation area is located on the upper reaches of the Potomac River, and it is to encompass 100,000 acres of land, of which 74,000 acres lie within the Seneca Rocks perimeter and 26,000 acres are adjacent to Spruce Knob. Portions of these lands are already a part of the Monongahela National Forest, and others will be acquired by the Federal Government as the national recreation area is developed. Present plans are for this development during the first 5 years so that provision is made for sufficient basic recreation facilities and principal scenic access roads to accommodate 1 million visitors annually. Subsequently, facilities would be expanded to meet the demands of increasing visitations estimated to reach a

capacity of 5 million annually prior to the year 2000.

But all the usages of the area would not be touristic and recreational in orientation. Scenic and/or conservation easements would be used to the greatest extent possible to facilitate private ownership, management, and utilization of resources and lands compatible with the national recreation area. As an example, scenic strips would be established and maintained along roads and trails, but present uses of the lands for farming and grazing, the production and harvesting of timber, the usage of private lands for public commercial services, and the granting of public hunting and fishing rights would be continued in a manner consistent with applicable Government programs.

The scenery in the Spruce Knob-Seneca Rocks part of the Allegheny Mountains is superb, and there are limitless opportunities for hiking, for camping and picnicking, for riding and touring, and for restful enjoyment of the forest and pastoral scenes. Over 27 million people live within a 150-mile radius of this area. Over 60 million people live within a 300-mile radius. The development of this recreational area is an extension of the constructive purposes of the Appalachian Regional Development Act, and the natural linking of the recreational lands through new highways and continued improvement of present highways and access roads will offer inspiration, health, and spiritual renewal to those residents of the nearby urban areas and will provide increased economic opportunities for those residents of the area who have not yet been granted the means to develop the assets of their Appalachian locale.

As I stated in bringing this bill to the Senate for action, I believe that the establishment of the Spruce Knob-Seneca Rocks National Recreation Area is in the long-term interest of all of the people of the United States. It will conserve and develop the natural beauty of a lovely sector of our country. It will conserve and develop and make available to increasing numbers of people opportunities for healthful and enjoyable outdoor recreation. It will help conserve our natural resources so that part of our legacy to our Nation will be, not ugliness and depletion, but enhanced beauty and wise conservation of nature's vital and irreplaceable resources.

In years to come, visitors from the States and the world over will come to West Virginia to enjoy the scenic beauty that abounds in the area surrounding Spruce Knob. By acting today to preserve this area, the Senate will guarantee for these generations the joy that comes from seeing nature at its finest.

I wish to thank my colleague, Senator RANDOLPH, for having joined with me in support of this legislation. We believe that Senate passage of the bill today will make possible its prompt enactment by the House of Representatives and its signature into law by President Johnson before this session ends. I have talked with Representative HARLEY O. STAGGERS, of the Second Congressional District of West Virginia, in which the recreation

area will be located, and he is already enthusiastically pressing for action in the other body, he having introduced a similar bill there.

Mr. RANDOLPH. Mr. President, for each of us concerned with the preservation, utilization and development of this Nation's vast potentials in recreational resources, this is a decisive time. The complexity and rapidity in modern living, coupled with the tensions of world events, create new problems daily for mankind. Not merely change, but the widening scope of change, is a fact of the sixties.

Expanding population is a valid example of a problem which is accelerating at an ever-increasing rate. Since 1940 the population of the earth has grown from approximately 2.5 billion to approximately 3.2 billion. This 700 million increase, in 25 years, exceeds the total estimated population of the world in the year 1800.

In the United States we have a substantial rate of population growth, with our 193 million inhabitants expected to increase to 225 million by 1975; then to about 322 million in the year 2000, and by 2050 we could reach 700 million. The implications of such growth are obvious. Need for citizen services and facilities also will increase by geometric progression. The demand will be tremendous.

Consider yet another symptom of our time—the rapid migration of population from rural areas to an urban or metropolitan environment.

Approximately 7 out of 10 Americans now live in areas designated by the Bureau of the Census as metropolitan. These areas, which constitute less than 10 percent of our total land, accounted for 84 percent of the population increase between 1950 and 1960. In 50 years the United States has changed from a predominantly rural and agrarian nation to one in which nearly three-quarters of our people live in urban communities, and are employed in industry, trade or specialized services.

The 1960 census revealed that we are 70 percent city dwellers. By 1980, according to forecasts by the Urban Land Institute, our population will be nearly four-fifths urban. The institute further predicts that metropolitan areas will absorb all of the 70 million population growth in the decade 1970-80.

These revealing statistics make it clear that more and more Americans will be traveling—seeking the beauty and inspiration of the out of doors, and the recreational opportunity it can provide.

Yet another consideration, equal in importance to increased population and urbanization, is the fact that added prosperity and mobility, and the increase in available leisure time will influence greater utilization of available recreational facilities. Wages and earnings are up; daily hours and the workweek are growing shorter; automobiles are the property of nearly every family. In large numbers the outdoor enthusiasts and serious campers will seek the beauty and serenity of the American wilderness; families will gather at areas where resource development has been carried forward, and where attractive facilities



Public Law 89-106
89th Congress, H. R. 5508
August 4, 1965

An Act

79 STAT. 431.

To facilitate the work of the Department of Agriculture, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of existing law, except the Commodity Credit Corporation Charter Act and without regard to section 355, Revised Statutes, as amended (40 U.S.C. 255), but within the limitations of cost otherwise applicable, appropriations of the Department of Agriculture may be expended for the erection of buildings and other structures on land owned by States, counties, municipalities, or other political subdivisions, corporations, or individuals: *Provided*, That prior to such erection there is obtained the right to use the land for the estimated life of or need for the structure, including the right to remove any such structure within a reasonable time after the termination of the right to use the land: *Provided further*, That appropriations and funds available to the Department of Agriculture shall be available for expenses in connection with acquiring the right to use land for such purposes under long-term lease or other agreement.

Agriculture Department, administration.
Erection of buildings.
62 Stat. 1070.
15 USC 714 note.

SEC. 2. The Secretary of Agriculture is authorized to make grants, for periods not to exceed five years' duration, to State agricultural experiment stations, colleges, universities, and other research institutions and organizations and to Federal and private organizations and individuals for research to further the programs of the Department of Agriculture. Each recipient of assistance under this section shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grants, the total cost of the project or undertaking in connection with which such funds are given or used, and the amount of that portion of the costs of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit. The Secretary of Agriculture and the Comptroller General of the United States or any of their duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this section.

Research grants.

Records.

Audit.

SEC. 3. The Secretary of Agriculture is authorized to obtain insurance to cover the liability of any employee of the Department of Agriculture for damage to or loss of property or personal injury or death caused by the act or omission of any such employee while acting within the scope of his office or employment and while operating a motor vehicle belonging to the United States in a foreign country.

Employee liability insurance.

SEC. 4. Section 602 of the Agricultural Act of 1954 (68 Stat. 908) is amended by adding at the end thereof the following:

Overseas personnel, assignment to U. S.
7 USC 1762.

"(e) Any officer or employee appointed and assigned to a post abroad pursuant to this title may, in the discretion of the Secretary of Agriculture, be assigned for duty in the continental United States, without regard to the civil service laws (and without reduction in grade if an appropriate position at the employee's grade is not available in any agency of the Department of Agriculture), for a period of not more than three years: *Provided*, That the total number of such employees assigned for duty in the continental United States under this provision shall not exceed fifteen at any one time: *Provided further*, That this Act shall not increase the number of persons employed at grade GS-16, GS-17, or GS-18."

Foreign currencies, release.
68 Stat. 456;
73 Stat. 606.

SEC. 5. Section 104(a) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), is further amended by inserting, after the word "*Provided*," the following: "That the Secretary of Agriculture may release such amounts of the foreign currencies so set aside as he determines not to be needed, within a reasonable period of time, for such purpose: *Provided further*,".

Employees on loan to states; health benefits.

SEC. 6. Section 4 of the Act of August 2, 1956 (ch. 878, 70 Stat. 934; 7 U.S.C. 1884), is hereby amended—

(1) by striking the word "insurance" and substituting the word "benefits";

68 Stat. 736.
5 USC 2091 note.
73 Stat. 708.
5 USC 3001 note.

(2) by inserting after "Federal Employees' Group Life Insurance Act of 1954" the words "and the Federal Employees Health Benefits Act of 1959,"; and

(3) by inserting after "employees' life insurance fund" the words "or the employees' health benefits fund, as the case may be,".

Working capital fund.
57 Stat. 393.

SEC. 7. Section 1 of the Act of July 12, 1943 (5 U.S.C. 542-1), is hereby amended by striking out the word "reimbursed" and inserting in lieu thereof the words "credited with advances or reimbursements" and inserting after the word "*Provided*," the following: "That such advances shall not be available for any period beyond that provided by the Act appropriating the funds: *Provided further*,".

Transfer of funds.

SEC. 8. Subject to limitations applicable with respect to each appropriation concerned, each appropriation available to the Department of Agriculture may be charged, at any time during a fiscal year, for the benefit of any other appropriation available to the Department, for the purpose of financing the procurement of materials and services, or financing activities or other costs, for which funds are available both in the financing appropriation so charged and in the appropriation so benefited; except that such expenses so financed shall be charged on a final basis, as of a date not later than the close of such fiscal year, to the appropriations so benefited, with appropriate credit to the financing appropriation.

SEC. 9. Section 8f of the Agricultural Adjustment Act of 1933, as amended (7 U.S.C. 608f), is hereby repealed.

Approved August 4, 1965.

Repeal.
54 Stat. 1019.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 206 (Comm. on Agriculture).
SENATE REPORT No. 506 (Comm. on Agriculture & Forestry).
CONGRESSIONAL RECORD, Vol. 111 (1965):

Apr. 5: Considered and passed House.
July 23: Considered and passed Senate.